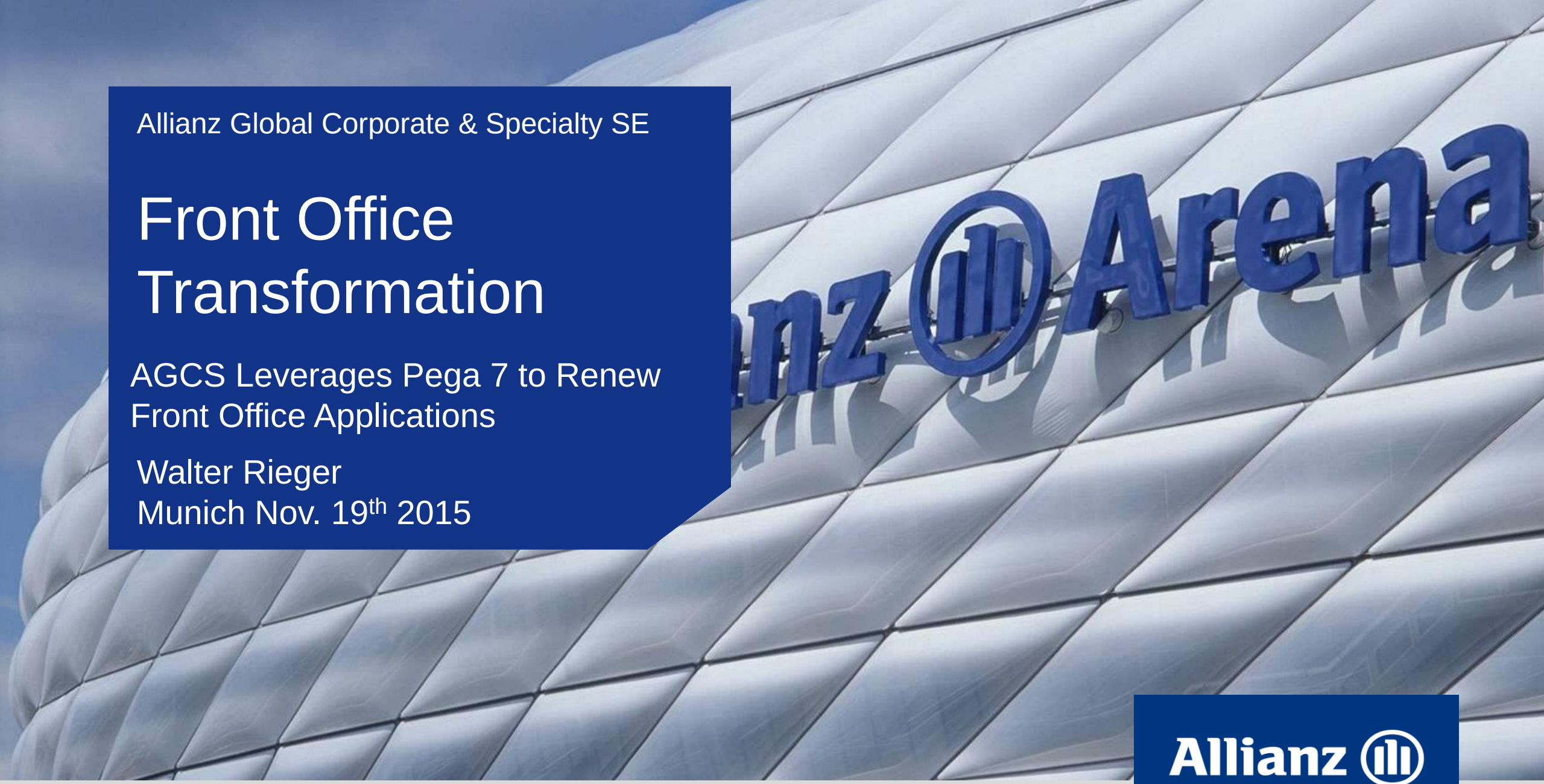

Allianz Global Corporate & Specialty SE

Front Office Transformation

AGCS Leverages Pega 7 to Renew Front Office Applications

Walter Rieger

Munich Nov. 19th 2015

Allianz

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Allianz Global Corporate & Specialty SE

An Overview

We are one of the few specialist corporate insurers with a genuine global market presence who can provide “one carrier” insurance solutions across the whole spectrum of corporate and specialty risks.

- Diversified product portfolio
- Wide range of complementary services, including specialist non-traditional risk transfer solutions provided by our subsidiary ART
- Financial strength: €5.4 billion GWP (2014)*
- Global reach: integrated in the Allianz network of more than 160 countries worldwide
- Extensive international experience: manages some 2,300 International Insurance Programs
- More than 3,600 dedicated employees

Product lines

Alternative Risk Transfer

Aviation

Energy

Engineering / Construction

Financial Lines

Global Programs

Liability / Casualty

Marine

Property

Risk Consulting

Truly global

AGCS is a leader in satellite and space insurance through our SpaceCo team in Paris

- One global team of dedicated specialists in corporate and specialty risk
- Over 3,600 staff of more than 70 nationalities in core client locations
- Local experts supported by global resources
- Extensive multi-national experience, supporting clients in new markets worldwide
- One global carrier and culture with consistent processes and standards

The strongest network

- AGCS teams in 29 key countries
- Allianz's own offices in 70 countries
- A combined Allianz and partner network in over 160 countries
- Specialists in global programs: some 2,300 programs active (as of March 2015)
- Rapid response capability for urgent and catastrophic claims worldwide

AGCS presence in

Australia · Austria · Belgium · Brazil · Canada · Denmark · Dubai · Finland · France · Germany · Hong Kong · India · Ireland · Italy · Japan · Mexico · Myanmar · New Zealand · Norway · Portugal · Russia · Singapore · South Africa · Spain · Sweden · Switzerland · The Netherlands · United Kingdom · United States

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Problem Statement and Project Objectives

Problem Statement

1. Moderate transparency on Underwriting relevant data
2. Data inconsistencies within Underwriting systems landscape
3. Inefficiencies in data entry because of significant re-keying efforts due to low integrated Underwriting systems

Project Objectives

1. Increased transparency and faster response time to clients by having a central view on client and submission data
2. Higher data quality and less reconciliation efforts having one end-to-end user environment
3. Time efficiency gains by reducing re-keying efforts through an integrated workflow

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Why Pega?

Background on Solution Definition
1. Solution assessment shortlisted Pega, MGM Cosmo, DuckCreek and IBM Case Manager 2. RfP with the four short listed solution providers 3. Joint decision of Program Management, Project Sponsor, AGCS Board and Allianz Group was made to go ahead with Pega as strategic AGCS Front Office platform.
Reasoning
1. Pega products allow for rapid module deployment with agile development approach plus it is highly flexible and scalable 2. Strong product and service orientation with broad client base and low default risk 3. Assessment conducted by project team showed no technical and functional nor commercial weaknesses 4. No other of the assessed solutions showed major technical or functional advantages compared to Pega 5. Several other Allianz projects with Pega initiated; very positive experience in Allianz US

Tool Selection – utilising Pega‘s capabilities

myAGCS.com OneWeb Portal Access

Pega

Processes | Embedded Rules | Case Management

Integration to existing systems

- Global Genius Names DB
- AGCS Pricing Tools (APT)
- Global Program System (GPS)
- FileNet
- Enterprise Information Management (EIM)
- …

We are not building a new standalone system but utilizing Pega’s off-the-shelf capabilities to integrate existing systems into one workflow environment

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Project Set-Up - CUBE Delivery Approach

Project Team Size

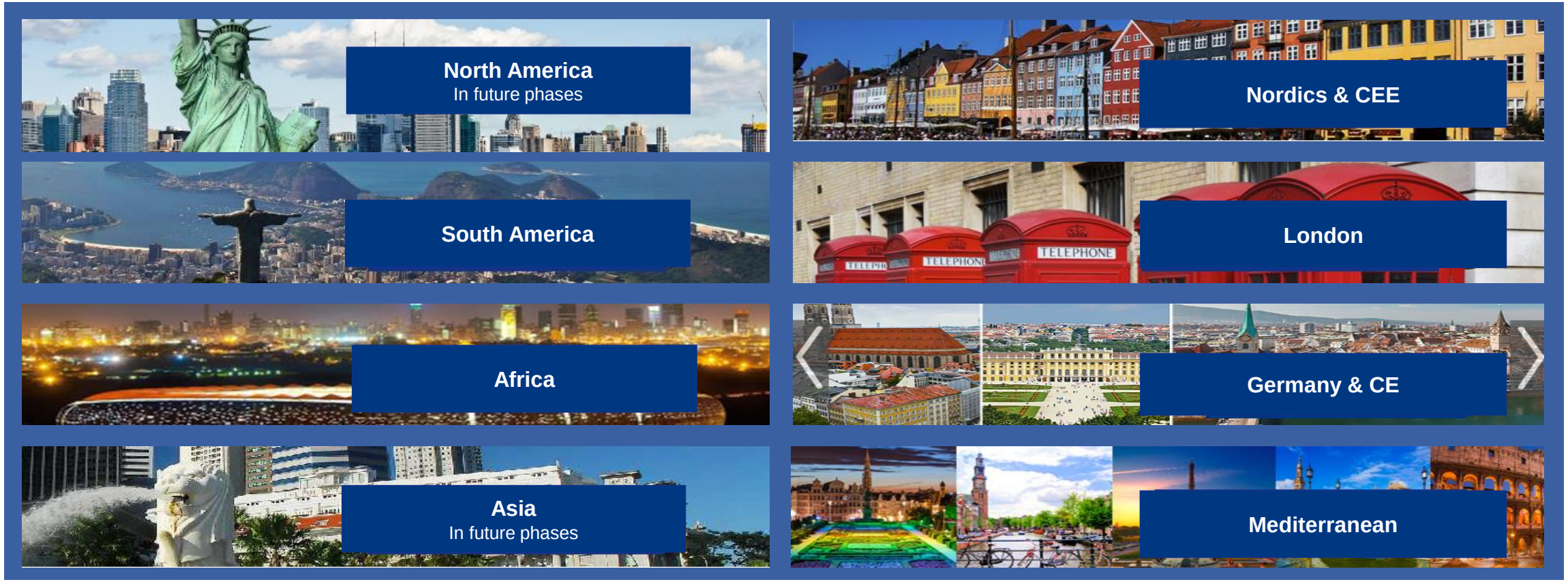
- Starting small: One PEGA based project, one Line of Business, not all functions to allow for learning in small scale
- Small team: Core team of ~ 20
- 1 LSA
- 3 – 5 Business Architects
- 5 – 7 Senior System Architects
- 2 – 4 SIT Testing Team
- 2 – 3 Process Analysts

Project Methodology & Scope

- Adaption of Pega Methodology to meet AGCS needs - Show & Tell were replaced by Test & Tell
- Strong support by the Business Sponsor for 80/20 approach
- Introduction of Agile delivery approach with releases every 3 month

Roll-out status

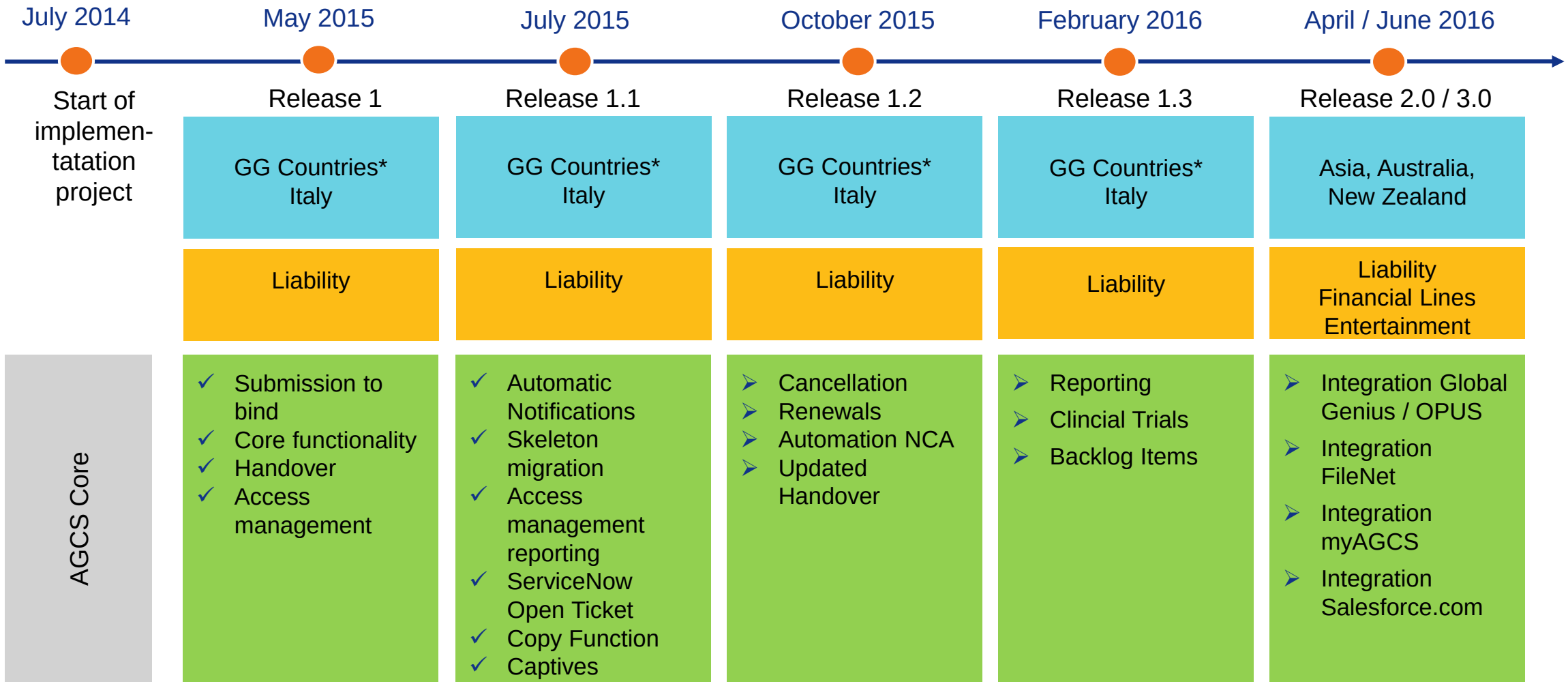
CUBE went live for Liability in 14 countries.



Austria, Belgium, Brazil, Denmark , Dubai, France, Germany, Italy, Netherlands, South Africa, Spain, Sweden, Switzerland, United Kingdom

CUBE is a journey

… adding Capabilities, Lines of Business and Geographies …



*Global Genius Countries: Austria, Belgium, Brazil, France, Germany, Ireland, Dubai, Netherlands, Nordic, South Africa, Spain, Sweden, Switzerland, United Kingdom

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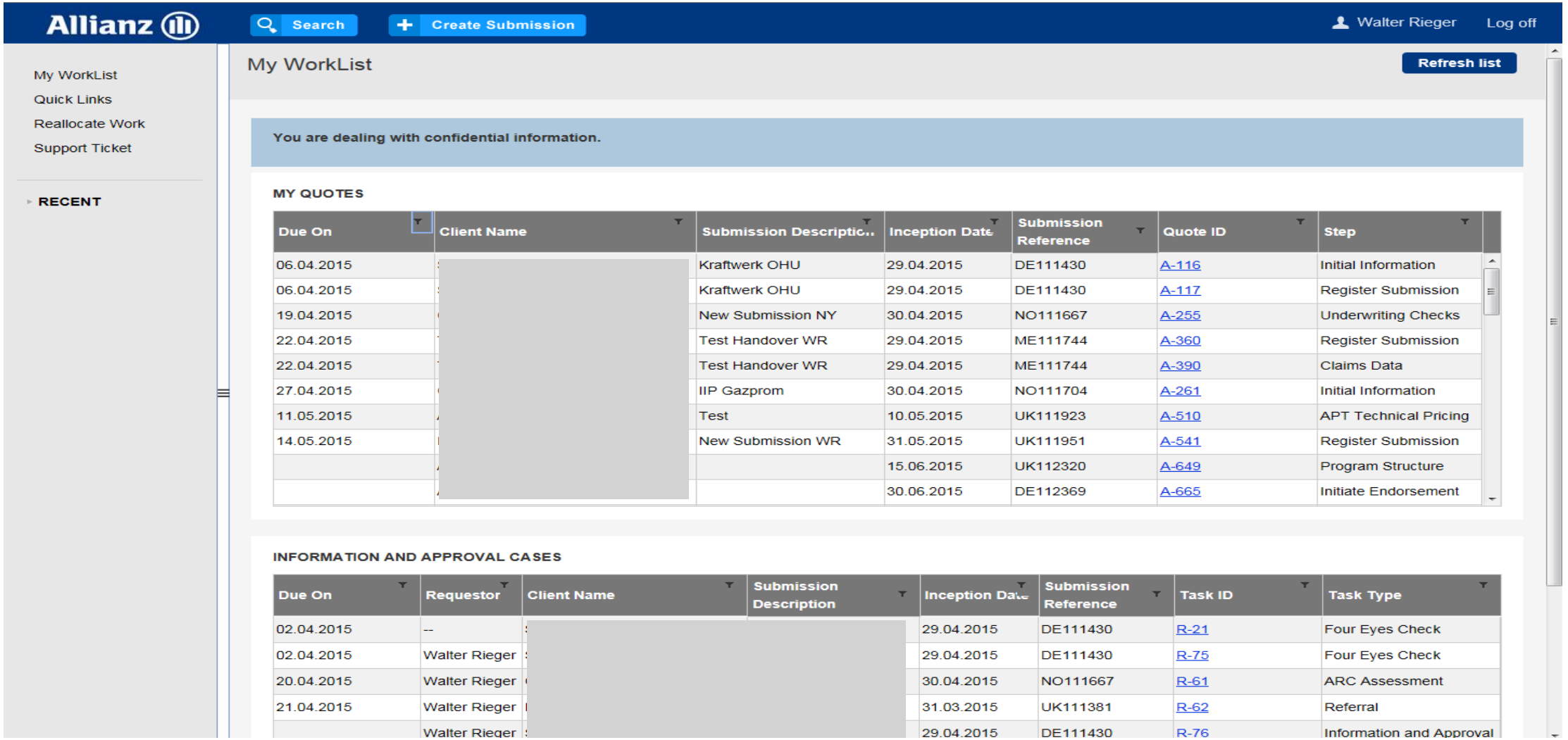
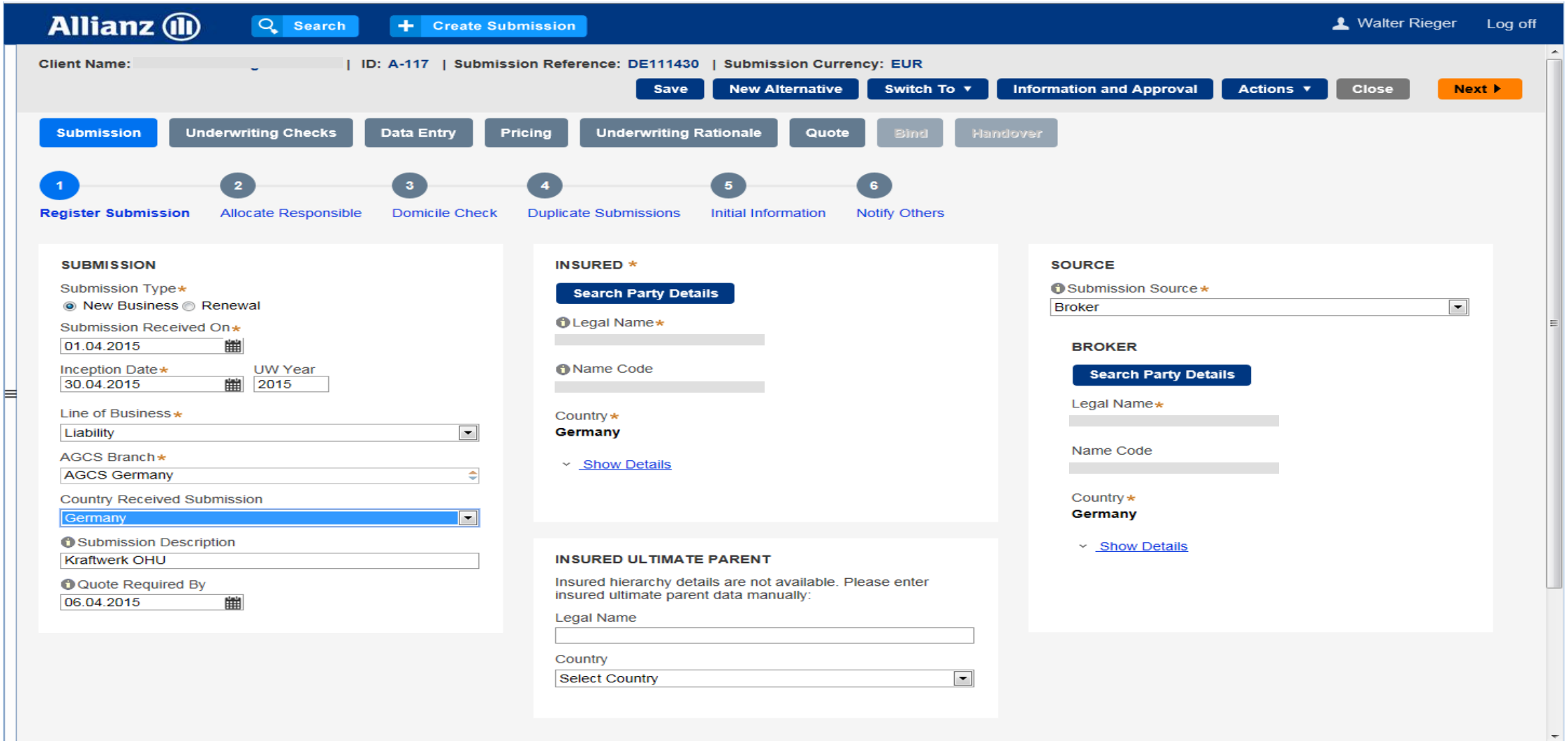
CUBE - Dashboard



Register Submission



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Lessons Learned

PEGA Product and Services

- **Productivity** increase by PEGA BPM by 5 – 7 compared to standard development in construction - If you stick to OOTB!
- Client needs to build up PEGA Architecture, Development and Project Management capabilities to make full use of the productivity gain.
- Close cooperation between Business Analysts and System Architects.

Requirements and User Involvement

- **Strong end-user involvement** is time and effort consuming but paying back by mature product quality and high end user acceptance.
- PEGA SmartBPM proposed Show & Tell sessions proved to be too weak and were replaced by **Test & Tell sessions**, where user did not only see the system but worked with the system with real life test cases.
- Key challenge remains **requirement process**: Keeping the balance between structure and scope protection on the one hand and making use of PEGA “build for change” capabilities.

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