INTER Versicherungen protects SAP software and IBM hardware investments with DB2

Overview

■ ***The Challenge***

To compete more effectively in the competitive German health and life insurance marketplace, INTER Versicherungen wanted to make more effective use of its IT resources – hardware, software and personnel. Better database management could help reduce costs and increase efficiency.

■ ***The Solution***

INTER upgraded its SAP DB2 environment to IBM DB2 9 on its existing IBM System p 650 platform. The company has exploited new features of DB2 9 like self-tuning memory management (STMM) and data compression technologies, which are fully supported by the SAP software.

■ ***The Benefits***

Database size reduced by 43 per cent, increasing headroom and performance without requiring new hardware investment; 20 per cent improvement in transaction response times; self-tuning memory management (STMM) optimizes main memory database parameters saving time for database administrators; DB2 integration with SAP environment increases ease of use and keeps total cost of ownership low.

■ ***Key Solution Components***

Industry: Insurance
Applications: SAP® R/3® Enterprise, with financial accounting, controlling and human resources; SAP for Insurance solution portfolio, DBA Cockpit for SAP software
Hardware: IBM System p™ 650 server
Software: IBM DB2® 9 optimized for SAP software

INTER Versicherungen is an insurance group based in Mannheim, Germany, which operates in the German and Polish health and life insurance sectors and employs 2,700 people. Subsidiaries include the Bausparkasse Mainz building society and the Freie Arzt- und Medizinkasse (FAMK), which specializes in insurance for workers in the public and emergency services. In 2005, the group collected over €777 million in premiums from its customers.

As it operates in a highly competitive market, where customers are prepared to 'shop around' in order to find the lowest premiums, INTER is continually looking to increase internal efficiency and cut costs in order to reduce the prices it can offer to its customers without reducing profitability.

Some years ago, INTER decided that the best way to increase efficiency was to integrate its business processes with an ERP solution from SAP. The company's SAP software environment has grown over the years, and now handles financial accounting processes, cost control and human

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SAP Basis Administrator
INTER Versicherungen

resources. INTER has also implemented the SAP for Insurance solution portfolio, which provides a suite of industry-specific applications covering everything from claims management to sales team incentives. In total, the environment supports 150 named users, and around 1,500 INTER employees have access to the company's IBM DB2 databases.

The SAP software environment runs in a partition on an IBM System p 650 server, with a second partition handling the company's document management solution.

The server's eight processors are reallocated every morning and evening to cope with changing workload – the SAP applications use seven of the eight at night, but only four during the day, when the demands of the document management system increase. The dynamic LPAR technology of the IBM POWER architecture allows for re-allocation of processor resources without interrupting applications.

"Running the SAP for Insurance solutions on IBM System p hardware has always proved an effective combination," says Roland Heim, SAP Basis Administrator at INTER Versicherungen. "We have also found that IBM DB2 is an excellent database platform for SAP for Insurance solutions, and we saw an opportunity to improve the efficiency and price-performance of our IT infrastructure by upgrading to the latest version."

DB2 optimized for SAP Software

"We have used DB2 from the beginning of our SAP implementation and have always been very satisfied with its performance and ease-of-use," says Roland Heim. "But with DB2 optimized for SAP software, which was introduced in 2005, we have seen a host of new DB2 functions and features – which have once again reduced our overall costs by delivering higher performance.

"The move from our existing version of DB2 to DB2 9 was very simple, so we didn't need any external help. Because DB2 9 is backwards-compatible, there was no need to upgrade our SAP software – enabling us to benefit from all the new functionalities right away.

"The integration of DB2 into the DBA Cockpit for SAP software within the SAP Computing Center Management System (CCMS) is a real advantage too. This cockpit allows us to monitor and administer all the DB2 systems in

our SAP software environment from a single point of control which is easy to learn and use."

Apart from the ease of use provided by the DBA Cockpit for SAP software, the move to DB2 9 offers several other innovative features. Self-tuning memory management (STMM) simplifies the task of memory configuration by automatically setting values for several memory configuration parameters. When enabled, this feature dynamically distributes available resources to meet shifting demand.

Roland Heim explains: "With the STMM, we can tune the buffer pool automatically, which saves considerable time for our database administrators – reducing their workload by around 10 per cent."

DB2 9 also enables deep compression, substantially reducing the size of INTER's databases and providing more headroom for growth.

"Our database is now 43 per cent smaller than before, and some of the largest tables have been reduced by up to 70 per cent," explains Roland Heim. "Despite the compression, there has been no impact on batch performance, and our most important online transactions are actually 20 per cent faster with the new version of DB2."

Reducing workload, boosting performance

"With DB2 9, our two-person IT team can handle database administration on top of all their other work, even without much specialist knowledge," says Roland Heim. "The automation and simple interface enable us to concentrate on more important business tasks."

With a smaller database and improved transaction performance, INTER will be able to retain its existing IBM System p server for some time, without requiring any further investment in hardware.

"The IBM System p platform has offered superb performance for our SAP software environment, and helps us get the most out of the SAP for Insurance solutions," says Roland Heim. "The ability to balance workload between the two partitions helps us ensure high utilization of the hardware, delivering excellent price performance, and the whole environment has run faultlessly for more than two years now.

"As business needs grow, we will think about upgrading to the latest POWER5 or POWER6 technology," he adds. "But for now, we are very happy with the p650. The move to DB2 9 has given our server platform a new lease of life."

He concludes: "We will continue to look at improvements to our SAP software and DB2 landscape in future. IBM and SAP are a very effective combination in terms of ERP solutions, and they have a history of developing software that can really add value for businesses like INTER."

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