

## Storebrand's Web service taps payroll application for pension plan updates.

### Overview

#### ■ Challenge

Improve customer satisfaction;  
reduce cost of customer support;  
open new distribution channels  
for insurance products

#### ■ Solution

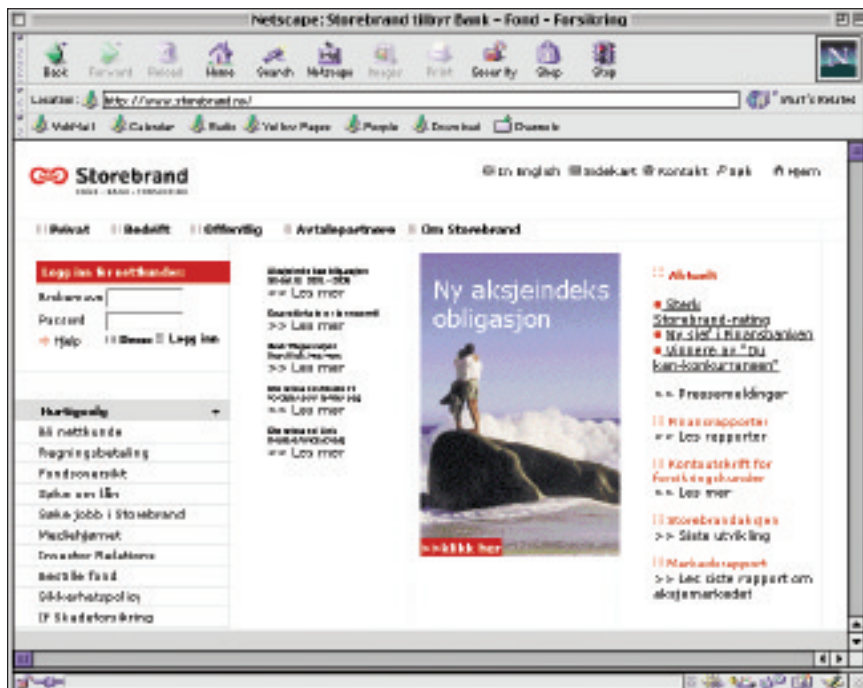
Web service that automates  
updates of pension plan members'  
information through employers'  
payroll application; infrastructure  
that enables the rapid creation of  
new Web services

#### ■ Why IBM?

IBM offered products that complied  
with Web services standards and  
tools that made implementation  
easy; the IBM jStart program helped  
expedite time to market; Storebrand  
had a history of success with Lotus®  
Domino™ and IBM WebSphere®  
Application Server

#### ■ Key Business Benefits

Cost savings by eliminating manual  
updates to legacy system; improved  
customer service; additional selling  
point for payroll vendors



With NOK 156.7 billion (US\$175 billion) in total assets, Oslo-based Storebrand provides nearly half a million customers in Norway with life and health insurance as well as banking and asset management services.

In an odd way, information is a lot like fish—when it isn't fresh, everyone soon knows. That may be why financial services providers—who compete in one of the most information-intensive industries—are finding some pretty innovative ways to keep their databases current. For example, Storebrand ASA (Storebrand), Norway's largest provider of pension plans, insurance and other financial services, is working hand-in-hand with the payroll vendors that serve its corporate customers to automate the updates to its pension plan database.

*“Updating the pension plan data became an onerous task, both for our customer service department and for our customers. We clearly needed an online process.”*

—Karsten Heslien, CTO, Storebrand

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## Key Components

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### Software

- IBM WebSphere Application Server, Advanced Edition, Version 3.5
- Lotus Domino
- IBM DB2® Universal Database™ for OS/390®
- IBM MQSeries®, Version 5.1
- IBM MQSeries Integrator
- IBM VisualAge® for Java™
- IBM Web Services Tool Kit

### Servers

- IBM Netfinity®
- IBM S/390® Parallel Enterprise Server™

### Services

- IBM Global Services
- 

More than 390,000 employees of 6,500 companies in Norway are members of Storebrand pension plans. Storebrand keeps the data for all its plan members in IBM DB2 Universal Database on an IBM S/390 Parallel Enterprise Server.

Until recently, every time a member's salary or personal information changed, the employer would need to revise its records and send the updates to Storebrand through file transfer protocol, by mail or even by fax. Storebrand customer service reps would then enter the changes into the DB2 database.

"Updating the pension plan data became an onerous task, both for our customer service department and for our customers," says Karsten Heslien, Storebrand's CTO. "We clearly needed an online process."

By automating the capture of this data, Storebrand hoped to reduce costs and errors, improve customer service and enhance its image as a cutting-edge insurance provider. "When we thought about how we would automate these updates, we realized that most of the information we needed already existed in the employers' payroll systems," Heslien recalls.

### IBM provides a head start on Web services

Already familiar with the concept of Web services—applications dynamically assembled from loosely coupled components with standard interfaces—Storebrand imagined creating a Web service that its clients' payroll applications could access over the Internet. And at an IBM Web services workshop, Storebrand discovered how to transform its Web services idea into reality.

"IBM presented a clear vision for Web services," says Espen Sletteng, Storebrand's enterprise architect who participated in the workshop. It showed us how we could leverage WebSphere software—which we were already using in our other lines of business—together with the WebSphere Studio Workbench to build an infrastructure that would allow us to quickly and easily deploy almost any Web service."

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*—Espen Sletteng, Enterprise Architect,  
Storebrand*

With help from the IBM jStart program, it took Storebrand only a few days to create its Web service and publish it in WebSphere Application Server, Advanced Edition, running on an IBM Netfinity server. Then, using Lotus Domino, IBM MQSeries and IBM MQSeries Integrator—also residing on Netfinity servers—Storebrand created a secure channel for its applications to interact with its customers' applications. Through this channel, pension plan updates now flow swiftly over the Web through WebSphere Application Server and into the DB2 pension plan database.

Currently in pilot production, the Web service has been welcomed by Storebrand's customers, payroll vendor partners and customer support staff. Customers say the Web service will make it much easier for them to manage their Storebrand pension plans. Likewise, payroll vendors such as TietoEnator look forward to gaining a competitive advantage when selling to Storebrand customers, since their software, enhanced with Storebrand's Web service, will be able to perform two functions for the same price.

For its part, Storebrand looks forward to the significant savings in customer support costs it will achieve when all its customers begin updating their pension plans through the Web service.

#### **Standards smooth integration over the Web**

Storebrand's Web service implementation consists of three main parts: a Component Object Model (COM) object that runs within the employer's payroll application; the Web service itself—Java technology-based business logic residing in WebSphere Application Server; and an integration layer based on MQSeries that transforms the incoming data to prepare it for loading into DB2 on the mainframe.

When employers run their payroll applications, they can choose to add members to—or delete members from—their Storebrand pension plans, update members' records or reconcile their local pension plan records with Storebrand's records.

*“With IBM Web services solutions, we can publish standards-based Web services on private networks just as easily as we can on the public Internet. This flexibility to create new revenue-generating services translates into competitive advantage, and competitive advantage is what this dynamic e-business is all about.”*

*—Karsten Heslien*



*Storebrand pension plan members can rest assured that their policies are kept up to date, thanks to a Web services-automated process.*

The payroll application extracts the data and translates it into XML using XMLife, a standardized XML vocabulary for the insurance industry. Storebrand's COM object generates a Simple Object Access Protocol (SOAP) request that accesses the Web service over the Internet. SOAP is a standard data transport protocol that enables disparate applications—such as the payroll application and Storebrand's Web service—to communicate with each other.

At Storebrand, Lotus Domino authenticates the employer sending the update. It then sends the XML data to a business object in WebSphere Application Server, which routes it to a queue in MQSeries, triggering a message flow in MQSeries Integrator. MQSeries Integrator parses the XML data and sends it to the S/390 server.

### **Web Services Tool Kit expedites time to market**

Storebrand used IBM VisualAge for Java to create the business object. But in order to transform it into a Web service, Storebrand needed to package it in a Web Services Definition Language (WSDL) wrapper. The WSDL standard defines the interface that clients can use to access a Web service.

Experts from the IBM jStart program in the U.K. showed Storebrand how to create and publish its Web service using the IBM Web Services Tool Kit (soon to be integrated into IBM WebSphere Studio Workbench). "The Web Services Tool Kit speeds up the creation of the WSDL wrapper, essentially allowing us to publish and deploy the Web service without any reprogramming," Sletteng explains.

### **Cutting-edge Web services give Storebrand an edge**

Storebrand plans to leverage its investment in this project to deliver additional Web services to its partners. Taking advantage of the ability of WebSphere Application Server to integrate with a public Universal Description, Discovery and Integration (UDDI) registry, Storebrand can publish its Web services on the Internet for independent insurance distributors to access and incorporate into their applications.

Storebrand can also extend the architecture it created for the pension plan update application to serve its other lines of business. "With IBM Web services solutions, we can publish standards-based Web services on private networks just as easily as we can on the public Internet," Heslien says. "This flexibility to create new revenue-generating services translates into competitive advantage, and competitive advantage is what this dynamic e-business is all about."

### **For more information**

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