

Celina Insurance Group streamlines collaborative processes with agents to stay ahead of the competition

Overview

■ **The Challenge**

Increase competitiveness against larger insurance carriers by integrating independent agents into business processes and providing superior services and support

■ **Why IBM?**

IBM provides the ideal development and production environment for integrated, open-standards based applications that leverage the Web, foster collaboration and speed end-to-end business processes

■ **The Solution**

A collaborative extranet based on IBM® Lotus Notes® and Lotus® Domino®, IBM Lotus Sametime® and IBM DB2® software running on an IBM AS/400® server

■ **Key Benefits**

- *Policy turnaround times reduced from weeks to days by integrating and automating business processes that span Celina and its agents*
- *Faster, better service to agents and their customers due to integrated systems and real-time collaboration*
- *Being “easy to do business with” secures agent loyalty—a competitive advantage*
- *50 percent reduction in phone calls and costs due to instant messaging option, and 40 percent reduction in head count while maintaining the same volume of business due to streamlined processes*



Celina Insurance Group, a mutual insurance carrier that provides property and casualty insurance to eight states in the midwestern United States, writes approximately US\$80 million in premiums annually. A relatively small company of approximately 175 employees, Celina sells its policies through about 500 independent agencies that deal directly with the end customers. Since each of the agencies may represent up to 10 different insurance carriers, Celina's ongoing challenge is to win and sustain agent loyalty as it competes with often much larger rivals.

“The open and flexible, responsive environment we can provide to our agents and their customers with our Lotus extranet continues to make us competitive with much larger companies.”

*—Rob Shoenfelt,
Chief Information Officer,
Celina Insurance Group*

Key Components

Software

- IBM DB2
- IBM Lotus Domino
- IBM Lotus Notes
- IBM Lotus Sametime

Servers

- IBM AS/400
-

Smart use of the Web enables competitive agent relationships

Celina made an astute decision in 1999 when it recognized the growing power of the Web and the implications for business. At the forefront of its industry in seeing the Web's potential, Celina decided to use the Web to make it easy for independent agents to do business with them, thereby increasing agent loyalty and improving services to both agents and end customers.

With the rapid application development and integration capabilities of Lotus Domino, Celina built an extranet using IBM Lotus Notes and Domino, IBM Lotus Sametime, IBM DB2, and an AS/400-based inquiry and transaction processing application. The resulting Resource Base of Information (RBI) application exposes information from Celina's insurance processing application to its agents. This allows agents to use a Web browser to access policy data and claims data, process payments, rate customers' credit and update policies, all via integration with the in-house insurance system.

Safeguarding the privacy and security of customer information was a prime consideration from the start, and the potent security features of Lotus Notes and Domino allowed Celina to deliver a security-rich solution. RBI requires every agent to authenticate through the Lotus Domino directory before gaining any access to information. To keep agents from seeing customer data belonging to other agents, RBI uses "reader names" to build privacy partitions. Further, the encryption capabilities in Lotus Notes and Domino and in Lotus Sametime provide Celina with peace of mind in knowing that confidential information going out over the Web has security protection.

Another early Domino application, known as Sales Automation For Everyone (SAFE), yields major benefits for serving the agents and helping to raise sales force productivity. SAFE provides Celina with information such as which agents work where, how much business agents generate, which agents are the largest producers, which competitors agents also work with, and what issues agents have had in the past or are having now. Using SAFE as an information management tool allows Celina to be more proactive in managing the agents and presenting them with good competitive offerings and selling situations. This helps contribute to higher morale and agent productivity.

Ahead of its industry in its use of the Web, Celina continues to strengthen its position as a Web-based company. It has further streamlined business processes by extending them to agents across the Web. Real-time collaboration among Celina staff and agents has been firmly embedded in the culture, helping agents to provide fast, accurate service to their customers. By being able to respond dynamically to the needs of agents, and providing them with the tools necessary to close more business and keep customers happy, Celina has forged strong bonds with the agents—a distinct competitive advantage.

Innovative technologies help Celina maintain competitive advantage

Although Celina has done well in a field of competitors with significantly greater resources, the company realized that it needed to stay current with new technologies in order to maintain its advantage. Recently, after considering alternative solutions such as Microsoft®.NET and Java™, Celina chose to continue investing in Lotus software by upgrading to Lotus Notes and Domino 7 and Lotus Sametime 7.5. Rob Shoenfelt, chief information officer for Celina, explains: “The Lotus software, with its rapid application development environment, automated workflows, security-rich real-time collaboration and built-in integration with e-mail is a competitive differentiator for us. The open and flexible, responsive environment we can provide to our agents and their customers with our Lotus extranet continues to make us competitive with much larger companies.”

Recently, Celina worked with an IBM Business Partner, Teamwork Solutions of Columbus, Ohio, to develop a new automobile rating application for the agents that makes use of Web 2.0 technologies—asynchronous JavaScript and XML (AJAX), Dynamic HTML and JavaScript™. These technologies all help improve the look and feel of applications to enhance the user experience over the Web. JavaScript uses the client to do more of the work, thus reducing server workloads and increasing the responsiveness of applications so they can react to user actions more quickly. AJAX and Dynamic HTML can perform a lot of actions that the user doesn't have to see in the background, such as saving information or interacting with back-end systems. These efficiencies help shrink user wait times, which can accelerate business processes.

“The agents appreciate that they can instantly connect with their Celina underwriter—or anyone else in the company—at the click of a button. We have even had a competitor call us to find out how we do that.”

*—Rob Shoenfelt,
Chief Information Officer,
Celina Insurance Group*

“Because Lotus has helped us tightly integrate the agents into our business processes and collaborative environment, their lives are easier—that’s a competitive differentiator.”

*—Rob Shoenfelt,
Chief Information Officer,
Celina Insurance Group*


The new automobile rating application generates auto insurance quotes for Celina’s agents. An agent keys in the customer information on a simple, intuitive screen, which automatically sends the information to a rating engine that then produces a quote. As soon as the customer accepts, the application turns the quote into a policy without any re-keying into the backend insurance system. This streamlined process eliminates the need for many prior screens and the need for data operators to key in everything by hand, as was the case in the past. This speeds the application process, helping to improve customer service and satisfaction.

Similarly, an electronic underwriting application streamlines related processes from end to end. When agents submit policies to Celina, those that require the attention of an underwriter are automatically forwarded to an underwriter queue, and those that do not require this attention can be processed immediately. This solution includes a workflow application based on a Lotus Notes database that tracks each policy as it moves through the system.

Today, 90 percent of Celina’s business is received electronically—a drastic change from 2002, when most forms were processed on paper. Being able to assist new customers online by accessing rates for insurance products in real time and providing instant quotes helps engage the customer. With this information available on the spot, customers can reach decisions more quickly. Additionally, both agents and customers can pay their bills online.

Business applications integrated with Celina’s back-end systems and available through the Lotus extranet enable the independent agents to conduct nearly all their transactions over the Web. In addition to working with customer and policy data, updating policies, rating customer credit and processing payments, agents can now add comments to policies to help clarify issues for the underwriters. They can access manuals and documents electronically and even fax them to customers through Celina’s fax server. They can order supplies, print out forms, generate reports or interact in any way they need with claims adjusters and underwriters.

The integration of Lotus Sametime into Web-based applications enables real-time, contextual collaboration that simplifies agent interactions with Celina staff. Looking at a policy on the extranet, an agent can see the underwriter's name for the policy, then click on the name and initiate a chat session. When the chat session starts, the underwriter receives the policy number and a link to the policy enabling them to immediately view it—so both parties are looking at the same document online simultaneously. The agent can also initiate faxes to the underwriter and contact the claims adjuster associated with the policy. "Lotus Sametime creates a community," says Shoenfelt. "The agents appreciate that they can instantly connect with their Celina underwriter—or anyone else in the company—at the click of a button. We have even had a competitor call us to find out how we do that."

Policy Information			
Company:	NATIONAL MUTUAL INSURANCE CO.	Agent Number:	180200
Policy Number:	2200933-0	Policy Type:	Homeowners
Named Insured:	MARILYN TEST COMMENTS	Bill Plan:	Agt Mortgage
Phone:		Term:	11/30/2006 to 11/30/2007
Address:	103 MAIN ST ST HENRY, OH 45883	Associated Policies:	2200815-0
Status:	Active	Underwriter:	 Cindy Woten <small>If box to left of name is green, you can click on the name for instant chat.</small>
Insurance Score:	F	Sub Producer Code:	Change
		Email Underwriter:	Cindy.Woten

Celina's Web-based policy applications allow agents to click on the underwriter's name to connect with them immediately via instant messaging.

Celina saves time and money while offering a flexible work environment

When Shoenfelt first made the decision to bring Lotus Sametime into the Celina environment, he was concerned that some people might not take to it. But his fears did not materialize: Lotus Sametime instant messaging was quickly embraced by everyone across the extended enterprise as a primary mode of communication. As an alternative to drawn out e-mail chains and phone tag, it has proven to be a huge time saver, actually raising productivity while reducing phone calls (and associated costs) by 50 percent.



By replacing manual, paper-based processes with automated workflows and real-time communication, Celina has reduced its policy turnaround time from weeks to just days. And the company has been able to increase its throughput without hiring additional staff: many clerical tasks for Celina employees have dropped away, and as employees leave or retire, there has been no need to replace them. Celina has seen a 40 percent reduction in head count while remaining able to sustain the same volume of business.

Celina's Lotus extranet and instant messaging environment also enabled employees to extend the workday and keep more flexible hours. They can work at home more often, and many expect to be able to work from home at night. Because employees have the same access to people, applications and information at home as they do at work, it doesn't matter where they are located. This flexible environment has helped to attract younger people as employees. As Shoenfelt says, "Celina, Ohio is a beautiful city in the middle of nowhere, so attracting talent isn't always easy. With our Lotus solution, we have created a virtual environment that doesn't require an employee to be onsite. That makes our organization much more attractive."

Lotus tools help Celina rank with the best, according to independent agents

As a result of its technology leadership, Celina can better compete against much larger rivals. "The agents want the functionality that the larger companies provide and really don't care that we have less than US\$100 million in annual sales. With Lotus, we can meet their expectations," says Shoenfelt "We have been ranked twice in the top five insurance carriers for best technology by the Ohio and Indiana Professional Insurance Agents (PIA) survey of 1,800 member agencies. Because Lotus has helped us tightly integrate the agents into our business processes and collaborative environment, their lives are easier—that's a competitive differentiator."

For more information

For more information on IBM Lotus software, please contact your IBM sales representative or IBM Business Partner, or visit ibm.com/software/lotus

For more information on Celina Insurance Group, visit www.celinainsurance.com

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Somers, NY 10589
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