CASE STUDY

Industry

Insurance

Profile

One of the oldest and largest reinsurers in the world. The company has offices in more than 25 countries and is one of the Forbes 2000 Global leading companies 2020.

denodo

A Swiss Reinsurance Firm Leveraged the Denodo Platform to Launch New Products

To continue to provide reliable service and support to large insurance companies, every day, the company's risk management department needs to be able to account for all applicable risks and calculate potential losses using complex simulations of damage-causing events.

Business Need

The risk management department of the reinsurance giant struggled with an increasing number of regulatory requirements, which was reflected in longer lead times and lower customer satisfaction. The department needed a holistic view across all sub-areas of risk in the life insurance, property insurance, and investment lines of business. Since the turn of the millennium, the company has supported this need with a traditional data warehouse architecture in the third normal form, based on Oracle and relying on many extract, transform, and load (ETL) processes. Data marts were used for reporting.

Over time, this architecture began to face some challenges. In particular, since the infrastructure could only support only 3-4 major releases each year, it could not handle the high frequency of new regulatory requirements that were beginning to hit the insurance industry. Increasing demands on the Asian market presented the company with ever greater challenges.

"The Asian market woke up all at once," recalled the head of IT. "After Europe presented Solvency II and the Swiss Solvency Test, Asia followed suit. As the Asian market is very fragmented, and each country has its own requirements, we were quickly flooded with many new requirements that we could not meet with our traditional data warehouse."

The limitations of the company's data warehouse were demonstrated by the long lead times required for every change. The risk management department could no longer deliver important reports to internal customers in the prescribed time, and this caused increasing frustration for both the company and its customers. The company decided to move its complete data infrastructure, which had previously been hosted on-premises, to the cloud.

The new architecture had to provide faster access to data, improved availability, and greater flexibility. Data needed to be able to be accessed almost in real-time, and centrally, by systems as well as users. With the help of DevOps, the insurance company also hoped to achieve a higher level of automation and the ability to accelerate releases. At the same time, the company needed to make sure that users' productivity would not be impacted by the changes in architecture and cloud migration.

The Solution

The company's first step was to switch to a data vault model and set up a metadata management system to enable the automation of processes. The next step was to implement a data virtualization solution to improve the ease of data access, and for this, the company selected the Denodo Platform, which it had already successfully employed in the property insurance department. After a short test phase with a proof-of-concept, it was clear to the insurance company that the Denodo Platform should also play a key role in the new architecture for risk management.

"With the support of Denodo, we were able to test our most important use cases in about two weeks, and we very quickly came to the conclusion that the Denodo Platform is the solution that works best in our department," says the head of IT. *"Of course we followed the market and had other solutions on our radar, but the Denodo Platform immediately met our requirements perfectly, so there was no reason for us to evaluate any other tool."*
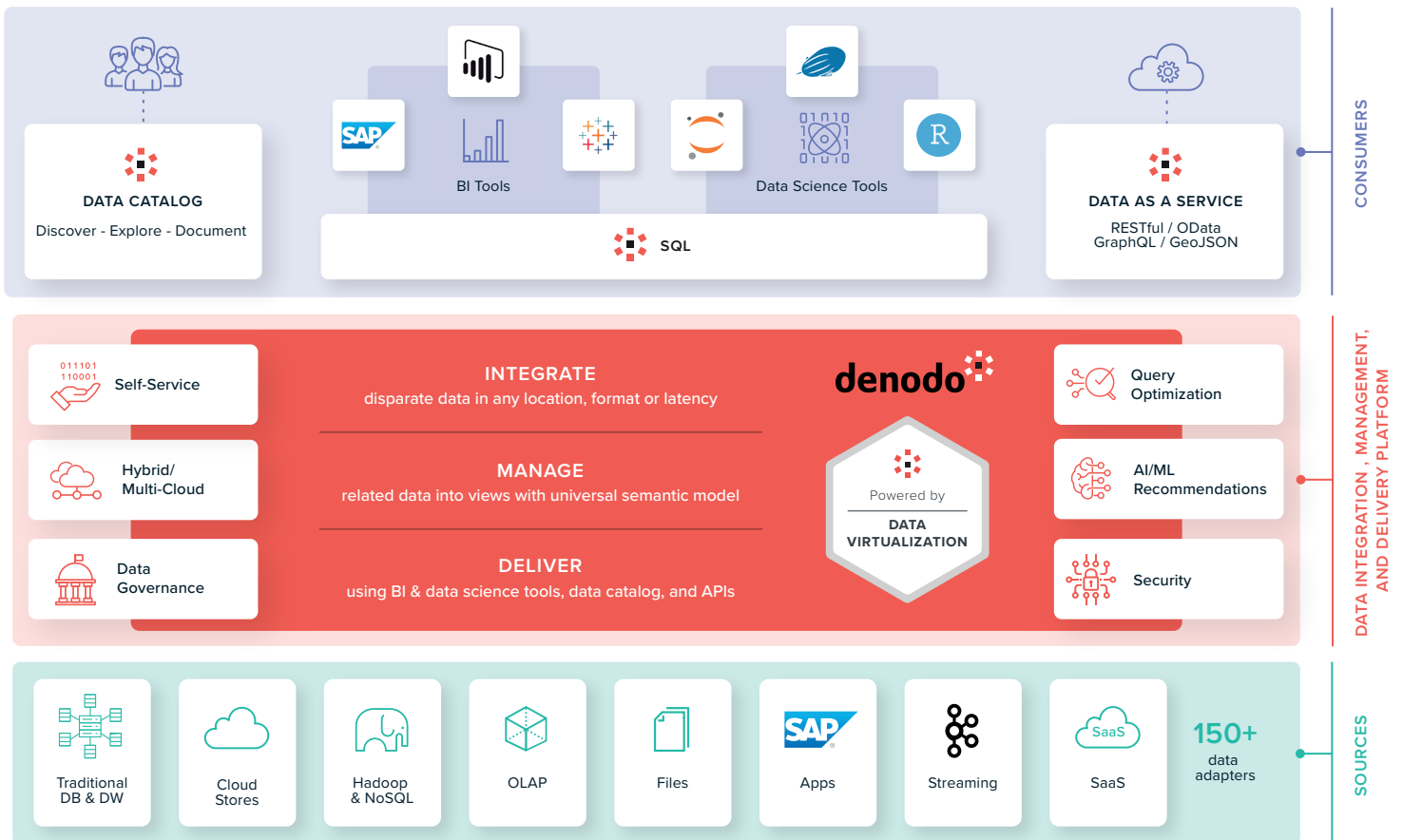
Benefits

The value provided by the Denodo Platform was apparent to the insurance giant from the first moment it was put into production. The Denodo Platform accelerated development and delivered initial results within a very short time. It was able to integrate new data sources within a few minutes, enabling faster feedback loops. Fast prototyping also enabled initial feedback to be sent in response to user requests, even if certain requirements, such as the data requirements for reporting, or the data source ultimately used, had not yet been defined.

"We were really impressed by the speed with which we were able to develop on the Denodo Platform," says the head of IT. "We were able to playback the first serve to a user after just a few hours by virtually integrating sources in advance, so that the user can begin to play around with it on the Denodo Platform. With his feedback, we were then able to sharpen and readjust the requirements in an iterative process, which naturally led to a sudden increase in user satisfaction."

Today, the company's risk management department is able to cover the entire scope of their requirements with the Denodo Platform, although the system is constantly being renewed and expanded. Rather than supporting quarterly releases, the system now supports a continuous, controlled release with changes 10 times a day, if necessary. The processing time of user inquiries has been reduced from an average of two to three weeks to a few hours, during which a first draft can go to the user.

User satisfaction has also risen sharply because users can specify their requests with short iteration cycles and quickly get exactly the results they need, without lengthy feedback rounds. The Denodo Platform's data virtualization layer also means that the company's user interfaces always remain stable, even if data sources are subsequently changed, or if changes are being made in the backend, on the storage side. In this way, the complexity of the underlying technologies remains hidden from users, and the conversion of the architecture and the migration to the cloud can continue in the background without disrupting user productivity.

"The Denodo Platform is now being used by five departments in the company, and it has established itself as an integral part of the company's infrastructure," says the head of IT. "We are absolutely satisfied with our collaboration with Denodo."

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