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The Future Is Now:

Channel Sales and Service Innovation

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Executive Summary

The nature of insurance sales and service channels is changing and changing quickly. To continue to grow now and into the future, organizations need to meet customer needs and manage channels with agile, flexible service and processes that stand out from the competition and enable lasting customer relationships.

These challenges have become business as usual for many organizations. Both existing and new channels and partners are increasing the pressure to meet changing requirements and expectations. Customers are more informed about their options and quick to change carriers in search of better pricing, terms, and service. The number of policy “orphans” is growing as agent turnover increases, increasing the pressure to maintain close sales relationships with these abandoned customers and policyholders. Just as important, customers expect sales and service delivery wherever and however they want—via the Web, e-mail, text messaging, in person, over the telephone, or all of the above.

The currency in this environment is data and information. C-level executives need to capture a complete enterprise view if they are to make informed strategic decisions and respond proactively to changing market conditions. Managers in sales, marketing, and lines of business need cross-channel information in order to maximize sales activities, identify new product lines, and manage channel relationships more closely. Agents and other channel partners need the information generated by a robust customer relationship management (CRM) view to better understand their customers, to meet those customers’ current needs, and to identify future sales opportunities within the customer base. Finally, in this era of regulatory scrutiny, effectively managing compliance activities across the company requires a continuous flow of information for streamlined reporting and internal control.

Many enterprises are meeting these challenges with innovative business practices, especially in the area of CRM. As they develop new practices, they are ridding themselves of organizational silos that operate in parallel with equally segregated business processes and systems, enabling them to implement new solutions that will support new ways of doing business.

Our purpose in creating this paper is not to reiterate the issues that insurance organizations face every day. Rather, it discusses sweeping changes that can empower people to better manage customer relationships today and anticipate emerging customer expectations. Microsoft refers to this transformation as becoming a “people-ready business.” Hence, our goal is to provide an overview of current innovations and to explore how organizations can unlock the potential of their people to create a true competitive advantage.

In addition, this discussion outlines how organizations are using technology strategically to meet the competitive challenges of today, while future-proofing them against the business and technology challenges of the future. There are many case studies demonstrating how Microsoft and its partners have supported this transformation and this paper highlights only a few. Finally, this paper summarizes Microsoft® technologies and services that help leading carriers adopt solutions to integrate and automate the full range of channel sales and service processes—what Microsoft calls “the Insurance Value Chain.”

Positioning for Growth

Changes are rumbling through the insurance enterprise as organizations capitalize on the key drivers shaping the industry. According to the TowerGroup, industry leaders are focusing on three priorities to drive current and future growth—customer intimacy, business and IT alignment, and service-oriented architecture (SOA).¹

Pursuing these priorities requires insight into a diverse customer base that includes the benefits manager in charge of their company's retirement plans, brokers and agents involved in selling the company's products and services, policy holders, underwriters, risk managers, and policy administrators. To accommodate this range, organizations are building robust processes backed by integrated solutions that span collaboration, business intelligence, workflow, mobility, and more. With the right combination of innovative business practices, fueled by state of the art technologies, organizations can set their own course, rather than having it dictated to them by competitors. They need accept no limits on the future success of their businesses.

The ultimate goal, of course, is to continually increase top-line growth through more robust channel sales and service. With the industry expecting rapid growth in some developing markets and steady growth in more mature markets, there's a great deal at stake for those that successfully develop and implement new processes, systems, and capabilities. Organizations that cannot keep pace with their more streamlined competitors could find themselves in a downward spiral as customers and sales channels naturally gravitate to innovators that are easy to do business with. If enterprises are to undertake the processes and technology changes necessary to remain competitive, time is of the essence.

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Positioning for Growth: What to strive for

What exactly should organizations be striving for in this business transformation sweepstakes? Industry leaders are focused on four key goals:

1. Developing superior customer sales and service to enable strong customer relationships
2. Managing multiple channels more effectively
3. Enabling higher throughput
4. Gaining deeper sales and service insights

Developing superior customer sales and service to enable strong customer relationships

Profitable growth for insurance organizations depends on their ability to meet customer needs no matter who the customer is, where they are, or how they need to be served. Organizations that deliver innovative, convenient sales and service options stand a better chance of retaining customers and building relationships that generate higher penetration and greater profitability.

Allstate, one of the largest insurers in the US, has become one of the leaders in the quest for superior sales and service with online tools for both channel partners and individual customers. This effort began with the company's accessAllstate.com Web portal, built on

¹ November 2006, The TowerGroup, "2007 Insurance Industry Perspectives: Business Drivers, Strategic Responses, Technology Initiatives," by Deborah Smallwood.

the Microsoft .NET framework, which enabled channel partners to access policy and product information, download forms and documents, and manage customer policies directly through a Web-based interface. In the past, these activities required a telephone conversation with someone at the Allstate call center. Enabling partners to handle these activities online represented a major breakthrough in the company's support for its channel partners; just as important, the portal has been highly rated by channel partners and the industry as a whole.

The company next worked to extend accessAllstate.com's functionality to the online Allstate.com Customer Care Center used by individual customers and policyholders. Individual customers now have an online self-service option to manage their life and annuity insurance policies. They can move seamlessly across the two portals, offering a textbook example of the power of integrated systems. Allstate itself has moved a step closer to having a services-oriented architecture powered by straight-through processing—the foundation for the future of sales and service technology.

UK-based **Endsleigh Insurance** wanted to grow and penetrate its customer base more effectively, but was hampered by disconnected systems that did not meet the needs of the company's growing sales force or its increasingly complex sales processes. The disparate systems made it difficult to come up with a uniform method of identifying lead conversion rates. Agents spent more time training to use various systems than they did on selling, and system limitations prevented effective communication and information sharing between the company and its agents or across sales teams.

After implementing Microsoft Dynamics™ CRM, Endsleigh's agents and channel partners can access and search for customer information to provide better service. In addition, each sales team automatically receives all information relevant to its customer. As sales staff efficiency has improved, the company has been able to take on a wave of new customers that it would not have been able to handle using its old technology. Endsleigh can now set ambitious goals for sales growth with the assurance that its CRM system can handle the additional volume.

Managing multiple channels

If enterprises are to become a series of interconnected business and system processes, solutions that enhance customer sales and service, like those created by Allstate, are critical to increasing agility, insight, and cost effectiveness. In addition to making customer interactions with the company as easy and convenient as possible, these solutions can help companies manage multiple sales channels and partners more effectively, even as these customers, channels, and partners become more diverse and widespread. To gain and maintain a prime spot on these channels' radar screens, organizations must position themselves as a business partner who makes it easy to do business. Streamlining business processes will go a long way to achieve that goal.

One of the most important outcomes of effective technological change is the ability to generate a single view of all sales channels. Managers and executives can then use channel-level information to more effectively manage those channels and gain actionable insight into producers. With the right solutions, companies can more easily integrate and compensate multiple and often global channels that range from direct consumer initiatives, call centers, independent, and direct agents to brokers, affinity agents, bancassurance, and channels outside of the traditional financial services industry.

After implementing a system based on Microsoft SQL Server™ Analysis Services, **The Ace**

Industry analysts believe that organizations can reduce costs by 20 to 25 percent using pass-through efficiencies created by automatic exception underwriting and predictive analysis.

Group gained a full view of its sales channels that enables analysis of premium flow on a daily basis. The system allows ready access to all of the details about a particular insurance policy, as well as performance breakdowns by underwriting department, broker, geographic region, and type of insurance. For example, managers can look at all the policies sold by a particular broker over a specific period or analyze the spread of business for the top 10 or 20 brokers, including the percentage of business, both in profit and premium volume, produced by these brokers. The system also allows underwriting managers to analyze the volume and profitability of business underwritten against targets. If the manager identifies any problems, he can view the details of the specific policies involved.

This full channel view can also aid compliance activities, which have become particularly important in the wake of contingent commission issues in the US and UK. At present, many entities handle compliance activities manually, which makes it difficult to maintain an up-to-date, cross-company, cross-channel view of compliance status and activity. In many cases, a separate department handles compliance and the tools for managing compliance are often not embedded in the activities of the workforce, including the extended channel workforce. Significant churn among agents can make compliance tasks even more difficult, especially when it comes to ensuring compliance across all channels. As a result, executives are increasingly concerned about their internal control and response capabilities as they relate to compliance activities. Moreover, the compliance challenges differ significantly from market to market, so any solution in this space must be flexible enough to deal with unique issues.

Enabling higher throughput

Streamlined and integrated systems supporting a transformed business will also lead to greater efficiencies and cost reductions. Industry analysts believe that organizations can reduce costs by 20 to 25 percent using pass-through efficiencies created by automatic exception underwriting and predictive analysis.² This makes sense, since straight-through processing allows organizations to handle sales directly with the consumer or through an intermediary. However, straight-through processing also requires collaborative workflows connected to core systems. If an organization is running disconnected IT systems or relying on manual processes, straight-through processing is impossible to implement.

Each day, underwriters for **Transamerica Life Canada** process hundreds of life insurance applications that require transactions with partners like the Medical Information Bureau (MIB), a centralized clearinghouse that provides the medical and avocation information needed for critical risk-management decisions. To meet MIB technology requirements, Transamerica deployed Microsoft BizTalk® Server 2004, which enabled connectivity with its partners across a range of legacy and industry standard formats. The new system corrects simple data entry errors automatically, translates blank fields to valid values during transmission, and allows inquiries that previously caused data validation errors to be processed as correct. With data transmission time to and from MIB down from eight-plus minutes to two minutes or less, underwriters can quickly check a customer's medical history and flag conditions that are cause for concern, leading to an improved service delivery of at least 400 percent.

Gaining deeper sales and service insights

The wealth of market data that exists in an organization or that is readily accessible elsewhere means nothing if people cannot access, analyze, and share it across the enterprise. Up to now, the missing link has been a way to leverage the power of this raw material in

² May 2005, The TowerGroup, "Underwriting Efficiency and Effectiveness: State of the Market and Best Practices," Mark Gorman and Deborah Smallwood.

order to direct and expand sales efforts, manage channel partner relationships, improve and increase service lines and product offerings, and nurture communication and idea sharing. Once they have that link in the form of robust technology, organizations can finally translate the data in their systems into the competitive advantage critical for long-term success and operating efficiency.

After working with Microsoft partner Fair Isaac Corporation, one company generated \$23 million in incremental revenue in just six months after fundamentally changing the way it gathered and funneled critical sales information to its sales channels. The initiative grew out of the need to gather and analyze in-depth customer information. For example, the company knew that many policy holders within a household also had policies with competing carriers. Without information about the composition of each household or its representation by product, the company did not have enough marketing intelligence to help its sales channels target these customers. Moreover, there was also the chance that any sales activity might lead to unnecessary and redundant cross-selling if more than one representative mistakenly approached these households.

Using this analysis, the company was able to identify product penetration for each household as well as relationship expansion opportunities based on some simple guidelines, such as targeting life insurance sales to every member of the household. These steps alone generated two million potential cross-selling opportunities, but the company used Fair Isaac's custom marketing response models to funnel only 250,000 of the most promising sales leads to its sales channels. In this case, the company already had the data it needed to rapidly expand its business and fuel sales channel growth and success. It just needed to replace its existing systems with more dynamic technology that would allow in-depth analysis.

The Time for Change: How to get there

The solutions an organization chooses to enhance customer sales and service, to strengthen and deepen customer relationships, and to identify sales and growth opportunities for the future will be unique to that company's practices and goals. The common denominator is whether these solutions can help people leverage information and intelligence to create a competitive advantage. To make this choice, businesses can determine where they stand and what they need to do to achieve the following:

- Provide a full view of customers, including their sales and service needs
- Create a single view of all sales channels—call centers, bancassurance, brokers, direct to consumer, independent and direct agents, affinity agents
- Ensure flexibility for the future to accommodate emerging and future sales channels
- Enable straight-through processing to create a competitive advantage
- Be seen as “easy to do business with” by channel sales partners and customers
- Reduce costs
- Enable the ability to use business intelligence in predictive analyses

PROVIDE A FULL VIEW OF CUSTOMERS. Achieving superior customer sales and service requires a complete view of the customer that can be delivered to any channel that touches the customer.

A single view of each customer ensures that any channel or customer-facing staff member—whether they are mobile, within agencies/brokers, at call centers or channel partners—has actionable access to all available information about each customer's current activity, history, and sales and service needs. Only then can agents and channel partners identify ways to strengthen the customer relationship, pursue cross-selling and up-selling opportunities, and lay the ground work for new products, services, and sales channels for meeting emerging customer needs and requirements.

To create this full view of its customers, **Nationwide Building Society** eliminated its siloed customer communication channels in favor of an integrated multi-channel solution from Microsoft partner Portrait based on SQL Server. This new system not only gives the company's 12,000 customer-facing staff in branches and contact centers a single view of the customer across multiple channels, it also provides flexible processes to handle change, prompts for up-sell and cross-sell opportunities, and integrates sales and services into a single marketing view. In its first year, the system handled more than 7.5 million customer engagements, including a one-day peak of 33,000. The system also delivered 1.5 million sales-related prompts, with up to 40 percent receiving a positive response and 15 percent leading to a sale. The financial results from the system change are running 220 percent ahead of original estimates and the system paid for itself within 12 months, with a major portion of this growth coming from the sale of various insurance products.



CREATE A SINGLE VIEW OF ALL SALES CHANNELS. By gathering performance information from their sales channels, organizations can better identify and manage their best producers, such as individual agents or channel partners. This goes beyond total sales to include breakdowns of exactly what products they are selling, when, to whom, and so on. This information can lead to the creation of new channels and services to help the company grow, retain, and manage their best customers and producers. Thorough analysis can also provide input into product development and identify appropriate cross-selling opportunities that a producer may not be able to identify on their own.

With a single view of all channels, organizations are in a better position to make sure that they are rewarding the right people for the right things. More important, they gain the ability to change sales compensation in response to a host of influences. With a more robust technology infrastructure that supports faster and more efficient underwriting and commission processing, some entities can pay agents almost immediately for these sales. This gives the agent another incentive to sell that organization's products, even if the commission is comparatively lower than a slower-paying competitor.

ENSURE FLEXIBILITY FOR THE FUTURE. When entities introduce technological change, they must not only consider what they need today, but also what technology they will need in the future. In short, any steps organizations take now must result in a sales channel infrastructure that can evolve and change as business and customer needs and expectations change. For example, the industry standard for completing transactions and underwriting policies is continuously improving. Keeping pace with or surpassing industry benchmarks will depend in large part on a robust technology infrastructure. The key is to keep an eye on how technology can empower the organization to conduct business in a more efficient, cost-effective, and customer- and channel-friendly way.

In particular, it is essential that this infrastructure be able to accommodate emerging and future sales channels by enabling organizations to revise corporate strategy, redeploy resources, and deliver new products and services with speed and accuracy. With that flexibility, these technology investments will pay off well into the future. Without that flexibility, it will not be long before that infrastructure becomes as obsolete as the one it replaced.

Perhaps no market is growing faster than China, where continuing upsurge in private car ownership is accompanied by increasing demand for auto insurance and roadside assistance. That is why the **Chinese Automobile Association (CAA)**, a subsidiary of Australia-based IAG Insurance, needed to build a system capable of meeting its existing needs, while remaining flexible enough to handle the association's rapid growth. CAA has three new business systems to handle membership management, auto insurance, and roadside service requests. The auto insurance system is able to generate quotes, handle new business and renewals, support cross selling, and handle claims. After implementing the systems, the CAA now has ensured a single customer view, generated process efficiencies, and developed a platform for one-to-one marketing. But most importantly, these systems enable the CAA to scale its business processes and usage as it moves ahead with its aggressive expansion plans.

ENABLE STRAIGHT-THROUGH PROCESSING. One of the key elements of a robust technology infrastructure is the ability to support straight-through processing (STP) of services and products to employees, channel partners, and customers. In short, STP enables all of these other process improvements. As a result, most organizations see STP as a key competitive advantage.

Organizations can achieve STP along the entire insurance value chain, including distribution networks, service providers, policy administrators, claims processors, and reinsurance companies by leveraging existing IT investments and connecting those systems with newer technologies. Initiating business process improvement and modernizing technical architecture can also deliver effective change to people, partners, and services and products as companies are able to develop integrated applications for existing and emerging distribution channels and point-of-sales applications, such as agency systems, call centers, the Internet, and wireless technologies. These solutions not only link disconnected systems and processes and incorporate global and industry standards, but can also integrate easily within the value chain.

MAKE THE COMPANY "EASY TO DO BUSINESS WITH." When it comes to deciding which products to sell, enterprises know that their channel partners have plenty of choices. And many of these partners and agents choose the path of least resistance. All other things being equal, most agents are more likely to push a company's products and services when that company is easy to do business with. Therefore, anything a company can do to ease agents' channel partners' lot in life is likely to pay off in the form of higher sales. For example, AXA Assistance Germany, an international insurance-services company that offers help and advice to customers 24 hours a day, seven days a week, deployed a Web-based solution to centralize information so that its customer service employees can search and aggregate information from disparate sources and resolve customer queries faster.

REDUCE COSTS. It is almost inevitable that streamlined processes, better access to data and information, and more efficient technology will lead to cost savings. And in most cases, they do. When Besso Limited, a fully-independent Lloyd's insurance brokerage, replaced its aging and increasingly expensive legacy systems with a scalable, integrated, and robust system, it did so based on the premise that the system would support the broker's growth objectives, help it compete in the marketplace, reduce costs, and ease compliance. The firm also wanted to put an end to increasingly expensive support for its numerous and disjointed legacy systems.

Since implementing the new system, Besso has grown from five divisions to eight; the firm is now using the system to increase collaboration between brokers, clients, and underwriters.

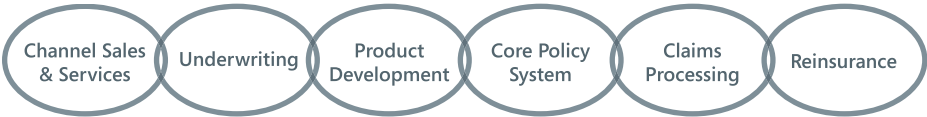
For example, Besso now has an electronic system to support placement, accounting and settlement, and claims management processes. The firm also implemented a powerful search engine that brokers can use to trace key documents in folders, as well as a secure self-service system that enables authorized clients and underwriters to access transactional data and documents at any time. Overall, Besso estimates that the new system has reduced annual operating expenses by \$1.3 million USD.

ENABLE PREDICTIVE ANALYSIS. Throughout this process of change, the emphasis is on both the present and the future. That is why many of the organizations highlighted throughout this paper are relying on specific technologies to spot trends and conduct predictive analyses in order to anticipate and accommodate customer needs and expectations before competitors do. For example, **The Ace Group's** technology not only allows the company to keep tabs on premium activity to ensure an appropriate balance between customer retention, new business, and price increases, but also enables them to analyze how a potential premium price increase might affect sales.

Finding the Right Solutions: The Microsoft Insurance Value Chain in Action

These are just a few examples of how entities are making changes and leveraging robust technology solutions to create a competitive advantage. The ultimate decisions a company makes about organizational and process change and technology investments will depend on the company's strategy, mission, goals, risk tolerance from a management perspective, people needs, and motivation and appetite for change.

If insurance is viewed as a series of interconnected business and system processes—the Insurance Value Chain illustrated here—Microsoft and its partners can deliver a series of integrated connections and solutions that give organizations insight, cost effectiveness, and the power to choose the innovation that works with their practices.



From channel sales and underwriting to product development and claims processing and reinsurance, these solutions automate the value chain by delivering collaboration and insight across all parties in the insurance enterprise. Business as usual moves from disjointed processes and IT systems to integrated workflows and applications—based on industry-standard frameworks—that reduce maintenance and other costs while enabling straight-through processing.

The solutions that work in this environment are designed to provide information, data, and capabilities that empower the individual, a key attribute to any technology that will be serving various sales channels. An integrated platform, coupled with a modular approach, can provide companies with the power of choice, the flexibility to adapt quickly to change, and the assurance that their solutions can grow with them into the future. Solutions range from basic infrastructure components that individual carriers use to build capabilities in-house—including the .NET Framework, the Microsoft Office system, BizTalk Server, and SQL Server—to analytics and enhanced CRM provided by Insurance Value Chain partners such as ProClarity and Salentica Systems.

Microsoft and its partners focus on solutions that give people the information they need, regardless of when, where, and how they need it, so that they can serve their customers.

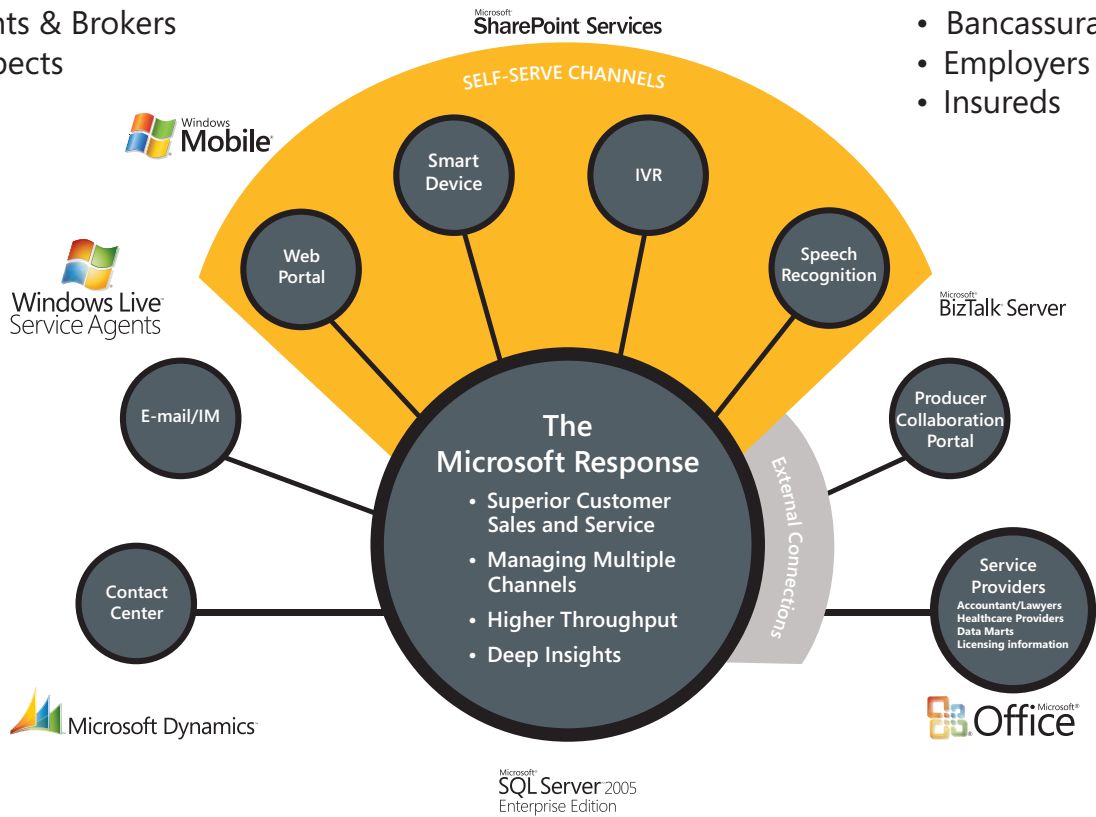
Self-service options—including IVR, Web portal, smart devices, and speech recognition—are also available and can be accessed from any location. However, when agents and channel partners need to interact with a company representative, they can use e-mail and instant messaging or contact the call center. At the same time, external partners, such as medical providers, can share relevant information with the company on a collaborative basis. Combining all of these elements ensures ready access to the data needed to drive superior channel sales and service, multiple channel management, higher throughput, and deep insights.

The Microsoft vision for channel sales and service. shown below, integrates the actors, processes, and technology components across the channel sales and service ecosystem.

Channel Sales and Service Ecosystem

- Agents & Brokers
- Prospects

- Bancassurance
- Employers
- Insureds



Finally, by supporting global and industry standards, including SOA and ACORD, Microsoft and its partners ease IT complexity and make solutions and processes easier to integrate within the insurance industry. This, in turn, helps organizations to become more agile while reducing overall technology costs. Microsoft and ACORD have had a long standing relationship that has resulted in the creation of data models, linking of Web services, global expansion of standards and creating best practices in security.

Conclusion

The multi-channel environment for the insurance enterprise is marked by increasing demand for products and services that can be delivered through multiple touch points. Exactly how the changing nature and growth of the channels available for distribution, sales, and service will affect individual enterprises remains to be seen. What is certain is that these organizations need the flexibility to choose where they want to play based on their relative strengths and weaknesses in various channels, rather than on the technology that drives their systems. To maintain current growth and build future success, organizations are developing innovative business practices that are backed by robust, flexible solutions. By bridging the gap between real-world processes and business automation, insurance enterprises can meet their customers wherever they are—on their TVs, cell phones, media centers—to deliver the products and services they need. And when those customer needs and expectations change—as they inevitably will—companies will be empowered to respond with agile efficiency, thanks to integrated solutions that offer choice, flexibility, and future-proof investments.

Appendix: Microsoft Solutions for the Insurance Value Chain

Integrated and flexible architecture: Microsoft .NET Framework

Because most large enterprise companies have “one of everything”—applications written in different programming languages, devices running on different platforms, and one-off solutions—it is essential that the applications and processes of new channel sales and service technologies integrate smoothly with existing ones.

The Microsoft .NET Framework, a component of the Windows® operating system, enables developers to create platform-independent applications and solutions. Not only does this reduce development time and costs, it also makes it possible to connect information and people throughout the enterprise regardless of the operating system, applications, or devices that they use.

Web services, the .NET Framework communication mechanism, uses a data format based on XML, the standard universal language of data exchange on the Internet. When two isolated systems (such as an accounting system and a sales database) are working well on their own, it is rarely cost effective to redesign one or both of them to work together. Web services provide a smart alternative.

In a .NET environment, both office staff using desktop platforms, such as Windows XP and agents in the field relying on Windows Mobile devices, can connect securely to databases and other systems running on Windows Server® 2003. Individuals enter data into the system only once and, regardless of its original format, everyone else who needs it can use it.

For channel sales and service, the .NET Framework and support for Web services provide the following advantages:

MORE EFFICIENT SERVICE AND IMPROVED CUSTOMER SATISFACTION. Agents can work with everyone—underwriters, customers, and the central office—through e-mail, instant messaging, and shared workspaces on the Internet or intranet. With the .NET Framework, information moves smoothly between systems; for example, between Pocket PCs and Smartphones in the field and database warehouses in the central office. This gives agents the information they need in real time to sell more products and services.

BETTER WORKLOAD BALANCING. When agents and other channel partners can locate and share data from any location and through any device, sales and marketing managers have more flexibility in managing channels and allocating customer leads and information. They can funnel customers to agents based on their potential value and needs in order to keep high performing channel partners happy.

LOWER DEVELOPMENT AND IT COSTS. Developers can quickly build channel sales and service solutions connected by Web services. For any given solution, they can use one or more of at least 20 programming languages. Within a .NET Framework, new channel sales and service solutions link smoothly with legacy systems; and as servers, applications, and databases are added over time, the .NET Framework easily integrates the new components, saving development time and money.

NEW BUSINESS OPPORTUNITIES. Web services can be extended outside the corporate firewall, helping an enterprise connect with customers and partners in new ways, opening doors to new business opportunities and revenue streams.

Improved customer service: Microsoft Dynamics CRM

Microsoft Dynamics CRM is a customer relationship management system that is built on the .NET Framework and fully integrated with Office Outlook. Microsoft Dynamics CRM enables carriers to funnel timely and relevant customer knowledge and a complete and accurate view of client activity. Monitoring channel sales and service process decreases the amount of time it takes to meet the customer's needs.

Microsoft Dynamics CRM redefines customer relationship management with a fast, flexible, and affordable solution for driving consistent and measurable improvements in all customer business processes using familiar tools such as Microsoft Office Outlook. With better control and visibility of business and customer information, organizations can build deeper and more profitable customer relationships. Microsoft Dynamics CRM also:

- Integrates sales, marketing, and customer service modules, allowing employees to access and share complete customer information across teams, departments, channels, or intermediaries.
- Delivers customer relationship management tools and capabilities in a comfortable, easy-to-use interface, helping companies focus on delivering the fast, effective service that builds customer loyalty and satisfaction.
- Creates an agile platform that helps organizations support speed-to-market products, adapt quickly to changing customer needs, and achieve scale and operational efficiency.
- Automatically incorporates changes to regulations and compliance, helping underwriters assess risks accurately, calculate premiums efficiently, and respond to customers quickly.

Data management and analysis: Microsoft SQL Server with business intelligence

Organizations can equip their agents and other channel partners with an accessible data warehouse to enable make faster, better and more data-driven customer sales and service. This rich source of information that can also be used to:

- Track customer activity and highlight important trends.
- Detect cross-selling and up-selling opportunities.
- Improve efficiencies in sales management and activities.
- Develop new products.

SQL Server, a database software platform with integrated business intelligence (BI) tools, helps build data warehouses that consolidate information and make it easier to draw meaningful insights from it. SQL Server 2005, the most recent version, supports both relational database format and XML, and includes sophisticated tools for analysis, reporting, integration, and notification that help organize and distribute information throughout the system. The technology enables workers to share data across any number of platforms, applications, and devices, making it easier to connect internal and external systems. SQL Server is closely integrated with other Microsoft products, including the Windows Server® system, the Microsoft Office system, and Microsoft Visual Studio®.

Business process integration and automation: Microsoft BizTalk Server 2006

BizTalk Server 2006, built on the .NET Framework 2.0, is a business process management (BPM) server that provides powerful tools designed to connect, automate, monitor, and optimize different business processes, including the long-running transactions that are common in insurance claims processing. Once an automated process is set up and running, BizTalk Server gives business people (not just technicians) tools to monitor and evaluate that process over time.

BizTalk Server 2006 uses Visual Studio 2005 developer tools and works with both SQL Server 2005 and SQL Server 2000 databases. This latest version of BizTalk Server includes integrated management tools and support for Web services, as well as 23 application and technology adaptors for connecting legacy systems (including mainframe systems) and line-of-business applications.

Increased collaboration: Microsoft Office SharePoint® Server

Office SharePoint Server, a Windows Server technology, provides a centralized workspace for teams to manage documents, participate in discussions, and coordinate schedules through shared calendars in Office Outlook®. For example, an agent can quickly and easily build a collaborative workspace on a secure Internet or intranet site where customers can share information and collaborate on documents over the Internet and view and manage transactional materials using Office SharePoint Server uses tools already familiar to most knowledge workers.

In addition, IT professionals can customize or extend the Windows SharePoint Services foundation to create new Web-based tools and services specific to the organization, department, channel, or insurance industry. These new tools and Web services can be combined with line-of-business applications, capitalizing on existing IT investments.

For information workers (IWs), Office Groove 2007 provides easy collaboration capabilities without a network server infrastructure, but integrates out-of-the-box with other Microsoft programs, including Office SharePoint Server 2007.

Information availability: Web services and the 2007 Microsoft Office system

Insurance channel sales and service relies on data, and an efficient system must make critical data immediately available across the enterprise to anyone who needs it. Because Web services links data in any form and from any source, agents in the field and other channel partners have instant access to customer information, including policy details, which enables them to tailor their sales approach. Agents who want more information on a customer can query a SQL Server database directly instead of waiting for a report from IT.

Microsoft Office system applications take care of communicating information so that agents and other channel partners can focus on the information itself. The 2007 Microsoft Office system uses an XML-based file format for Office Excel® 2007, Office Word 2007, and Office PowerPoint® 2007. Any application or Web service that supports XML can access and work with data in the new file format, whether or not it is a Microsoft Office system application or even a Microsoft product.

The new XML file format allows for:

- Rapid creation of documents from disparate data sources
- Accelerated document assembly
- Easier access to a broad range data
- Reusable content
- Digital rights management to limit access to medical records and other confidential information
- Out-of-the-box automation that does not require programming knowledge

Office InfoPath 2007, an information-gathering program included in the 2007 Microsoft Office system, enables organizations to create and deploy XML-based electronic forms to gather information efficiently and reliably from existing line-of-business systems. Data is entered once and reused many times, reducing the cost and errors associated with manual entry. Information gathered in electronic forms can be linked to back-end databases and other systems through Web services.

Office InfoPath 2007 solutions are fully integrated with other Microsoft Office applications. InfoPath 2007 can also be used with Office SharePoint Server to centralize the deployment and management of forms throughout an organization.

Support for mobile workers: Windows Mobile

A company that can easily access, capture, and share information from any location has a significant competitive edge. It can provide faster service, accelerate underwriting, eliminate reams of paperwork, and streamline back-office processing. With a more productive channels and agents and virtually unlimited range, companies can expand their field of customers and prospects.

A growing number of companies are implementing channel sales and service solutions that incorporate Smartphones, Pocket PCs and other devices running on Windows Mobile. Windows Mobile also supports mobile versions of Office Word, Excel, PowerPoint, and Outlook, all of which gives agents and other channel partners easier access to data and helps them capture, review, transmit, and share information directly from wherever they are doing business.

Cost-effective migration: Services oriented architecture

For most large insurance carriers, core operations reside on mainframe systems running COBOL. Microsoft works with many partners who have developed COBOL that can run in a Windows environment. This technology allows carriers to move their midrange and mainframe programs to less expensive platforms without rewriting code or applications. Moving even a subset of applications or portions of applications off of legacy systems saves money, especially if a firm is running out of MIPS and is facing the need to invest more in its expensive legacy technology.

Services Oriented Architecture (SOA) provides a blueprint for migrating information from legacy systems to newer platforms. SOA is not a product; rather, it is an approach to organizing distributed IT resources into an integrated solution that works across legacy systems and newer platforms. Used primarily by developers and solution architects, SOA takes advantage of standard protocols and interfaces (usually Web Services) to connect business processes and share information across business systems.

Microsoft tools that help extend SOA in the enterprise include Visual Studio, .NET Framework, Windows Server 2003 with built-in support for the .NET Framework, and Microsoft Developer Network (MSDN), which contains a library of code and practices to speed .NET development. For more information about MSDN, visit the MSDN Web site at [**http://msdn2.microsoft.com**](http://msdn2.microsoft.com).

More information about migration from mainframe systems is available on the Mainframe Migration Alliance Web site at [**http://mainframemigration.org**](http://mainframemigration.org).