



# *NN Financial connects with Domino and Host On-Demand.*

<b>Application</b>	Insurance broker extranet
<b>Business Benefits</b>	100% payback in 18 months; annual savings of \$700,000 by replacing WAN; 95% reduction in cost of connecting brokers; transaction processing time reduced from five days to realtime
<b>Software</b>	Lotus® Domino™ IBM SecureWay® Host On-Demand IBM CICS/VSE® Version 2.3
<b>Hardware</b>	IBM S/390® Parallel Enterprise Server™

NNFinancial is Canada's number one provider of new, individual universal life insurance sold through independent distributors. It maintains that leadership position by providing quality life insurance policies through its dispersed network of over 5,000 independent brokers—brokers who need strong informational support to provide the best service possible. Naturally, keeping its brokers satisfied is key to the company's success. That is the motivation behind the company's mission statement, which claims that NN Financial is "easier to do business with."

*"The Domino and Host On-Demand solution is going to pay for itself in 18 months.... It is a very powerful combination of software!"*

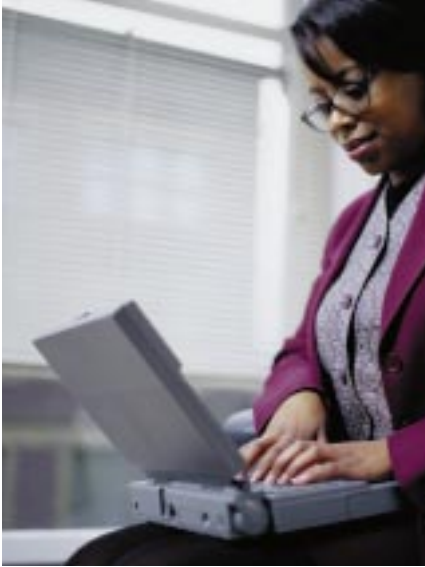
*—Eugene Berezny, Manager of Information Technology Services, NN Financial*

In order to uphold the spirit of its mission statement, NN Financial is dedicating itself to enhancing its brokers' abilities to interface with its head office.



*NN Financial provides its independent brokers convenient extranet access with Lotus Domino and IBM SecureWay Host On-Demand.*

*It's about business, not just technology.*



*IBM SecureWay Host On-Demand provides easy, Java-based access to back-end systems through a browser.*

The latest evidence of that commitment is the company's deployment of an extranet that provides brokers realtime access to all of NN Financial's customer account information—empowering the independent workforce with accurate, up-to-date information. The resulting network—based on an innovative combination of Lotus Domino and IBM SecureWay Host On-Demand software (formerly eNetwork™ Host On-Demand)—will eventually eliminate the company's need for its current wide area network (WAN). “The Domino and Host On-Demand solution is going to pay for itself in 18 months, and then continue to generate annual savings of \$700,000 in costs related to operating our WAN,” estimates Eugene Berezny, manager of information technology services at NN Financial. “It is a very powerful combination of software!”

#### **Supporting the team**

Based in Toronto, NN Financial has 70 Managing General Agent (MGA) offices throughout the country that provide day-to-day support for its brokers. Traditionally, the brokers correspond directly with their local MGA office by mail, phone and fax. A typical transaction—which can be anything from a simple change of address to submitting a new policy application—can take several days to process. When critical information is needed, these traditional methods are unsatisfactory. The company determined that, by reducing unnecessary delays and paperwork, customer service would be enhanced. By providing faster communication between its brokers and its head office, the company would strengthen the brokers' ability to perform, resulting in greater satisfaction among both brokers and policyholders.

“We wanted to give our brokers access to our system without making any changes to our central IBM server,” says Berezny. “We initially thought of creating a client application that would replicate data from our mainframe to a broker's desktop. But, our current database software wasn't up to the task.”

*“A traditional network solution would have an annual cost of about \$7,000 per user. That means we are saving more than 95 percent in the cost of connecting our brokers.”*

*—Eugene Berezny*

### **Domino and Host On-Demand: a dynamic duo**

Seeking a cost-effective solution that would require minimal maintenance and support a growing number of users, the company developed an extranet with the assistance of local IBM representatives. "We knew that we needed not just a solution, but also the technical support to develop it and see it through production," says Berezny. "IBM was the right choice for implementing a project of this caliber." After submitting the project plan to the company's executives and receiving immediate approval, the project took only six months to plan, develop and deploy.

The innovative solution combines the Web hosting and security features of Lotus Domino with the easy access of IBM SecureWay Host On-Demand terminal emulation software. Host On-Demand is a Java™ application that provides secure terminal emulation through a Web browser. NN Financial uses Host On-Demand to provide access to the company's IBM CICS/VSE system running on an IBM S/390 Parallel Enterprise Server. Both Domino and the Host On-Demand application reside on a Microsoft® Windows NT® server that is tied into the back-end CICS system. The result is that brokers can now access the company's back-end system files as if they were running CICS on their own PCs. "Domino provides a very secure platform for running applications on the Web," says Berezny. "Because Host On-Demand emulator software runs on top of Domino, we are able to use Domino-based security in addition to the internal security mechanism of Host On-Demand to control access to the extranet."

### **Leveraging legacy system**

The great economy of the Domino extranet lies in its ability to fully leverage the company's legacy database, ensuring continued return on its initial investment. "The Domino and Host On-Demand solution provides brokers access to files without having to make costly changes to our legacy system," says Berezny. "Suddenly, brokers are viewing customer information in realtime, directly accessing our CICS system. Host On-Demand brings them right into the mainframe application, and they are seeing their data live. If they make a change, it is effective immediately."

*"We knew that we needed not just a solution, but also the technical support to develop it and see it through production. IBM was the right choice for implementing a project of this caliber."*

*—Eugene Berezny*



*With realtime access to back-end systems at NN Financial's headquarters, independent brokers can provide faster service to policyholders.*

Getting the brokers set up for access to the extranet is very simple. When a broker enrolls in the program, the company simply provides a CD-ROM that includes a browser and the Host On-Demand Java applet. Each broker also receives a user ID and a set of instructions to log on to the extranet; that is enough to give them full access to the most current client information. "The system only costs us \$250 for each user license and \$45 each year to maintain the license," Berezny says. "A traditional network solution would have an annual cost of about \$7,000 per user. That means we are saving more than 95 percent annually in the cost of connecting our brokers."

NN Financial stores its customer information—more than 50 gigabytes of information—in VSAM files on its S/390 system running CICS/VSE. These files contain information such as customer profiles, account histories, claims reports and other business-critical information. Some files now exceed four gigabytes, and the company has determined that a relational database would better handle these large objects. For this reason, it plans to migrate to IBM DB2® Universal Database™. "DB2 will provide scalability, the ability to consolidate redundant data and improved connectivity to our remote systems," says Berezny.

NN Financial is very pleased with the rollout of its extranet, now almost a year in production. The pairing of Domino and Host On-Demand has proven to be an innovative solution that has very positive implications for use in other industries that need to provide easy, cost-effective access to legacy systems without compromising security. It has also increased the productivity of NN Financial's staff. "The extranet has reduced the workload of our MGA offices considerably," adds Berezny. "With brokers handling routine inquiries on their own, time is freed up in the MGA offices and for our customer service representatives in the head office. We are really pleased with its success."

Using the public Internet to gain entry to the company's extranet means that the system can handle as many brokers as enlist in the program. It also opens up the possibility of making account information directly available to the customer through the Internet. "There is no reason why we can't give our policyholders online access to their own account information," notes Berezny. "It is really just a matter of security, and Domino already provides that."

The Domino and Host On-Demand extranet also ensures that NN Financial can make good on its commitment to providing brokers the support they need to remain profitable. Berezny explains, "Maintaining the relationship with our distribution channel is key to NN Financial's profitability. The brokers are our direct link to providing better service to the customer. Now, with Domino and Host On-Demand, they have all the support they need. It clearly makes NN Financial's mission statement—'easier to do business with'—a reality."

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