

Case Study: Managing IT Business Processes with BPM at ULLICO Insurance

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*Featuring James Tierney, Vice President and Chief Information Officer and
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Introduction

This case study explores how ULLICO Insurance, the nation's only fully-unionized provider of multi-line insurance, financial services, and administrative products was able to successfully implement a BPM (Business Process Management) solution to meet its IT business process needs.

Challenges

As part of a new IT initiative to improve efficiency and reduce cost, ULLICO Insurance, under the leadership of its CIO, James Tierney, and Director of Enterprise Architecture, Melvin Novak, sought to align some of the business processes performed by the IT department with the existing IT infrastructure. The vision was to transform ULLICO's existing client-server-based applications to more enterprise solutions that could be utilized by ULLICO's many lines of business. As a pilot program, ULLICO chose to transform its existing IT ticketing system, a client-server helpdesk expert automation tool called HEAT. The problems ULLICO experienced with HEAT are described below.

- **The HEAT system was not user-friendly:** The biggest issue with the HEAT system was that it was not user-friendly. Many complaints were received about the system's user-interface and its ease of use. This was a significant issue, because ULLICO's IT department supports a very large user base, spanning across multiple locations, and the HEAT system was the only way for users to report IT issues and to get IT support.
- **It was very hard to maintain:** HEAT employed a two-tier client-server-based architecture that made it very hard for ULLICO's IT personnel to maintain the system. A footprint of the system was installed on every user's workstation, making it difficult to provide updates and maintenance. To compound to this challenge, the workstations were located across different buildings.
- **The system was not web-based:** Along with its difficulty to maintain, the HEAT system had very limited accessibility. Only computers that had the HEAT client installed could access the HEAT system, making it difficult for users who worked remotely to access the system and request IT services.
- **It did not integrate with Active Directory:** Because the HEAT system did not integrate with ULLICO's active directory, the company had to maintain a separate repository to manage authentication and authorization. The authentication system was built separately from HEAT, making access to the system very cumbersome for both users and for IT personnel.
- **HEAT was not extensible and scalable:** The biggest drawback of the system for ULLICO's IT department was that HEAT was not extensible. The in-house IT staff was unable to modify, customize, or make updates to the HEAT system. Also, the HEAT system was a stand-alone application and was not built on top of any platform. It was not possible to deploy multiple IT solutions to meet ULLICO's other business needs.

Solution

To address the challenges described above, ULLICO decided to replace HEAT with a new IT ticketing system. James and Melvin decided to use BPM architecture as a means to align the business needs at ULLICO with the existing IT infrastructure. Organizational agility, extensibility, and interoperability were the major reasons for the choice of BPM as the architectural platform. Aqualogic BPM, now part of the Oracle BPM suite, was the preferred tool of choice to implement ULLICO's first BPM solution. ULLICO already had a portal system in place, built using Aqualogic UI portal (ALUI, now Oracle Portal); therefore, integrating ALBPM with ALUI would be a seamless effort. In addition, ALBPM was chosen for the following reasons.

- ALBPM is a platform that allows multiple solutions to be deployed beyond the IT ticketing system to meet ULLICO's business needs.
- It provides a centralized security and portal system.
- ALBPM has an excellent workflow design platform that could easily be used by business analysts and developers to design and implement solutions.
- It provides single sign-on through the existing ALUI portal. In addition, ALBPM was able to integrate with Microsoft's Active Directory through the identity service offered by the ALUI portal. This feature proved very useful because end-users did not have to remember multiple passwords in addition to their existing corporate account ids.
- ALBPM utilizes a multiple-tier architecture that is web-based. This allows users to access the system, 24 hours a day, seven days a week from anywhere. In addition, ULLICO is able to easily provide consultants, contractors, and temporary staff with access to the system. This level of accessibility did not exist with the HEAT system.
- Most importantly, the solution's user-friendly built-in portlets saves users considerable time and effort. Also, because the ALBPM solution automates routing of tickets to specific groups, ULLICO's IT department has been able to reduce overhead through more efficient operations.

ULLICO Insurance approached Project Performance Corporation (PPC), a management and IT consulting firm based in McLean, Virginia, to implement the pilot system. PPC has expertise in implementing BPM solutions for large-scale customers in the insurance, finance, and healthcare industries and had broad experience with ALUI and ALBPM. In addition, PPC is well known for providing excellent documentation with the level of detail that ULLICO would need when it took over the project after the first phase of implementation. PPC was involved in the complete software development lifecycle from analysis, through requirements gathering, design, and implementation. In less than three months, PPC delivered, on time and within budget, a new IT-Request BPM system branded as My-Tech Support.

Benefits of My-Tech Support

The major benefit derived from the new system is the increase of quality of service provided to the users. The users praise the system's interface because of its ease of use. The change from HEAT to My-Tech Support was well accepted by most of the business users receiving support from the IT department. Feedback has been overwhelming positive and ULLICO plans to use BPM to automate and implement additional processes across multiple lines of business. Other benefits of from the new system included the following:

- Because the new system was easy and intuitive to use, the IT time required for training new My-Tech Support users was reduced.
- Resolution turnaround time was also greatly reduced because tickets were directly routed to the appropriate groups for resolution.

- The BPM implementation made the IT-ticketing system process traceable and visible and provided more accountability.
- From a technical standpoint, the new system could be easily customized to meet the business requirements at ULLICO.
- It was also easy to push out updates to the users because the system uses a multi-tier architecture that is WEB-based.
- ULLICO's IT staff was able to seamlessly take ownership of the system from PPC and are currently on the third iteration. Fred Koetje currently leads the ALBPM development projects at ULLICO.

Challenges During Implementation and Lessons Learned

There were two primary challenges encountered during implementation:

- The initial requirement processes took longer than expected. ULLICO needed support from PPC in terms of providing initial direction and leadership during the requirement phase to help them determine exactly what they wanted to accomplish.
- There were initial problems integrating ALBPM with the existing ALUI portal. Oracle technical support specialists were very helpful in getting the problems resolved and PPC engaged its senior team members as needed.

The lessons learned from these challenges include the importance of having appropriate risk mitigation strategies in place in case things do not go according to plan. By outsourcing the analysis and requirement phases to PPC, along with development and implementation, ULLICO was able to save the time and effort of its in-house resources that would have been spent on the initial phases of development, if these phases had been performed in-house. Also, having technical product support agreement with Oracle made the implementation phase run smoother than normal.

Conclusion

In brief, the ULLICO pilot project proved to be a success. ULLICO's IT customers are happier, productivity is up in IT, and as Fred Koetje said, "the whole experience has been astounding and phenomenal." ULLICO plans to use BPM to transform its other business processes and IT systems.

About Project Performance Corporation

Project Performance Corporation serves as the North American Operation arm of AEA, an internationally recognized consultancy. We are part of a 1,000-person multi-disciplinary team of information technology professionals, project management experts, scientific and technical experts, and legal and regulatory specialists dedicated to providing fully integrated and business-oriented solutions. With offices in the northern Virginia and Maryland suburbs of Washington, DC, London, and Bucharest, we enjoy combined annual revenues of approximately \$180M (USD). Our areas of expertise and experience include:

- Business process improvement
- Infrastructure systems engineering
- Project and program management
- Security operations, governance, and oversight
- Systems lifecycle development
- Enterprise content management
- Master data management and data governance
- Information technology optimization
- Systems integration
- Energy and environmental consulting

Our cutting edge IT and management solutions benefit governments around the world and Fortune 500 decision makers. Committed to quality management, PPC has been externally assessed at CMMI Maturity Level 3 and is ISO 9001:2000-registered.

For more information, contact

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