

An Insurance Company Outsources the Administration and Further Development of its Core System

Customer:
BNP Paribas Cardif



BNP Paribas Cardif has been doing business on the Czech market since 1996. They offer insurance products (such as credit card insurance and extended warranty insurance) under the brands of their domestic and multinational partners, which are most frequently banks, leasing companies, and companies that provide consumer financing, personal loans, or credit cards. On the Czech market, Cardif currently controls over 2.2 million insurance contracts with premiums totalling more than 2.4 billion CZK.

Since its entry on the Czech market, Cardif has supported its main activities and the administration of insurance products with a custom-developed core system, implemented in stand-alone versions, also for the Slovak and Austrian branches of the insurance company. As the insurance company's demands grew, it established cooperation with additional partners, and it introduced new products, the capacities of the existing core system provider ceased to be sufficient for its further development.

"The speed of changes and further developments to our core system didn't correspond to the dynamic progress of our insurance company, so we announced a tender for a new service provider. The best bid, which included a transparent cost model and a guarantee of stability after taking over the administration of the system, was presented by Profinit," explains Rudolf Schlesinger, Chief Operating Officer at Cardif, regarding the initial situation.

Profinit's unique methodology

Profinit's main tasks were to take over the maintenance and further development of Cardif's core system without any breakdowns, to merge the development and operations of the Czech, Slovak, and Austrian versions into one shared services center, and to further develop system features in step with the latest requirements of the insurance company's branches.

Profinit, when implementing the project, proceeded according to its proven methodology for application management outsourcing consisting of three successive phases:

- 1 Takeover of the core system from the current service provider without an interruption in operations.
- 2 Implementation of the required changes, testing, and deployment of the new version of the system.
- 3 Full-scale administration of the system according to the SLA with defined processes and transparent costs.

The key phase where Profinit took control of the core system had to be carried out as quickly as possible to keep the time frame during which two different providers would be working on the system to a minimum. Profinit executed the first phase of the implementation in five weeks and then continued to expand the system with new features and products and introduced automated scenarios for faster testing and deployment of new releases.

Shared services centre

Profinit transformed the development and administration of Cardif's core system into a Prague-based shared services centre. The Czech, Slovak, and Austrian branches of Cardif now use a new version of the core system where each branch has its data and settings and, nevertheless, can have its own requirements for new functionalities and the implementation of new insurance products.

Profinit maintains and develops Cardif's core system as needed with a team of up to 20 members, which as of summer 2013 has supplied and successfully deployed 6 large and 8 minor system updates.

The main benefits of Profinit's takeover of the administration of Cardif's core system include:

- › Speed at which Profinit took over the core system from the previous service provider.
- › Stabilization and setup of administrative and other system development processes.
- › Significant acceleration and improved quality of the implementation of new features and products.
- › Decreased risks associated with the operations of the core system, verified by a BNP Paribas audit.
- › Transparent cost model for branches using the shared services centre.

"Thanks to our sophisticated methodology for application management outsourcing, we can even safely take over the administration of customised systems developed by other providers. We, therefore, are able to further develop solutions that otherwise would have to be replaced at a great cost of time and money," explains Bohumír Zoubek, Products and Services Director at Profinit.

Ensuring continuity and further development

Cardif's analysts gained key know-how from the migration of their core system to Profinit's administration, thanks to which they can now much more intensively cooperate with Profinit on its further development. Likewise, in the future, it will be easier to transfer the core system to another

service provider. The cooperation model set up with Profinit allows Cardif to:

- › Flexibly respond to new opportunities and market demands.
- › Better plan the development of their core system.
- › Stay a step ahead of the competition.

"The main benefits of cooperation with Profinit are apparent in the acceleration and improved quality of the development of our core system and the assurance of its reliable operation. The system migration project was done over a very short time period, and its results were very positively assessed by the BNP Paribas headquarters," says Rudolf Šlesinger, Chief Operating Officer at Cardif, regarding the assessment of the project results.

Currently, the introduction of the administration of Cardif's core system by the Prague shared services centre is being prepared for several other European branches.

About Profinit

Profinit provides comprehensive IT services, from process design and optimisation, business and IT architecture, to the final delivery of IT solutions. We achieve success by using cutting-edge technology and innovations and employing the best experts. Profinit has long been involved in application management outsourcing, and our approach and expertise have been verified through our many projects for a variety of customers.

Profinit's unique methodology for accepting systems from other providers

Takeover

- › System scope
- › Revision
 - Documentation
 - Architecture
 - Source code
 - Enviroments
- › Full service definition
- › Time and material

Transition

- › Team formation
- › Hotfixes
- › Selected change request
- › 1st release
- › Contract
- › Time and material

Full service

- › Full responsibility
- › Defined processes and services
- › SLA
- › Fixed time and price

Profinit has many years of experience supplying high added value business and IT solutions to banks, insurance companies, telecommunications operators, and national and local governments.