

## **HDFC Life Insurance: IT All the Way**

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A centralized and simplified data management system reduced costs and, most importantly, enhanced user productivity

A joint venture between the UK-based Standard Life and Mumbai-based HDFC Standard Life Insurance (HDFCSL) was started in 2000. As one of the first entrants to the Indian insurance market, its operations were manual and paper-intensive. With unprecedented growth in the market, the manual processes over the period of time slowed down the growth of the company.

It was then that the company seriously started toying with the idea of deploying IT solutions for automating business processes, thereby reducing costs. One of the key drivers for implementing IT-based solutions was the need to have a centralized and simplified data management to reduce costs and, most importantly, high availability of applications to enhance user productivity, recalls Sunil Rawlani, CIO HDFC Standard Life Insurance.

#### The Yesteryears

Recalling the first IT solution deployed, Rawlani says that the policy administration or the back office policy processing system and the core system provided functionalities like new business, policy servicing, agency, medical claims, and payouts and included all relevant information about customers, proposal, and policy details.

And, for doing away with the manual processes completely and cutting down on the paper work, HDFCSL deployed Business Process Management enterprise system integrated with a document imaging system.

Following a centralized computing model, the company has chosen to outsource rather than build on non-core competencies.

Like any other insurance company, HDFCSL too has to manage huge amount of data and considering that data has grown thirty-six times between 2004-07, any loss in data would spell disaster for it. Taking this into consideration, the company has a Disaster Recovery plan in place. Our IT outage recovery plans start with a simple power outage and goes up to an extended outage. Our objective is to ensure that business interruptions are as short as possible and is within a reasonable range of financial considerations, he says.

#### At a Glance

Company: HDFC Standard Life Insurance

Problems: Inefficiencies related to paper-based system and workflow intensive

Benefits:

1. Reduced costs through increased efficiency and automation
2. Workflow and proper task allocation
3. Enable effective processes
4. Online MIS

## 5. Enhanced security controls and audits

### IT Solutions Deployed

For profiling its customers and their requirements, the company recently deployed an anti-money laundering solution. Named OMNIEnterprise, it automates regulatory reporting, internal risk assessment and integrates with the core back office system.

Constrained by high turnaround, low efficiencies, lack of process monitoring, and excessive paper work and manual operations, HDFCSL also implemented a Workflow on Demand and Enterprise Retrieval System (Wonders) for improving customer service, reducing cost of operations and launching new products to retain its customers.

### Online Presence

Most insurance companies today have an online presence and so does HDFCSL. But they use websites mainly for customer servicing and for providing relevant information. Agrees Rawlani: Our strategy on online applications is mostly used for policy servicing, consultant performance measurement, and commission details.

On the employee front, HDFCSL actively uses Internet-based application for providing their employees with critical MIS data and sales and operational data. The sales productivity of the employees has gone up by 15%, directly resulting in increased selling time on the field.