

Kanawha Insurance Co.: AS/400 Systems Upgrade

KANAWHA INSURANCE COMPANY

Lancaster, SC
USA

Online:

www.kanawha.com

Industry:

Insurance/Banking

"CGI has had a positive impact on our business and we expect the financial value it has delivered to only increase over time. We look forward to an ongoing, productive relationship with CGI."

Ron Groover, Vice-
President, CIO, Kanawha
Insurance Company

In November 2003, CGI signed a 10-year, US\$41.8 million IT outsourcing contract with Kanawha Insurance Company, one of the largest privately owned life insurance companies in the Southeast. Based in Lancaster, SC, Kanawha provides a wide range of life, health and Long Term Care insurance products.

The Challenge

In business since 1958, the company was faced with the costly and complex task of upgrading aging AS/400 systems to improve its business performance and position itself for future growth. It was also looking to make its IT costs more predictable, improve its responsiveness to changing business conditions and take advantage of new technologies.

Unsure of whether to tackle these objectives in house or outsource, CGI was contacted. In the summer of 2003, CGI was asked by Kanawha to conduct due diligence and respond to its Request for Information and Request for Proposal.

How CGI Helped

The transition of Kanawha's AS/400 platform over to CGI began in November 2003. The job involved the transition of two major AS/400 systems used to handle policy and claims administration for life and health insurance lines to CGI's Dallas data center. Kanawha also transitioned its Web-based policy and claims applications to Dallas.

Transition challenges centered around the merger of the systems and processes that were on two AS/400's into one more powerful box. Volumes of data had to be migrated and consolidated into the new system. While the project proved difficult at times, CGI worked closely with the software vendors—Vision Solutions and DataMirror—to successfully troubleshoot and resolve all obstacles.

The Results

The transition was completed on schedule and on budget and has delivered the results Kanawha expected. Kanawha has significantly improved its efficiency and productivity in the following areas:

- Reduced insurance claims processing time, thus reducing man-hours.
- Relationship with CGI offshore consultants has led to maintained and improving productivity.

The bottom line: Kanawha's transition to CGI's Dallas data center has resulted in increased productivity and added financial value