



Baden-Baden Insurance Company (BBU-AG) Improving the efficiency of an insurance broker with teleworking¹

The challenge

BBU-AG is part of the Josef Leismann insurance and financial services group. It is located in St Ingbert, Germany and sells specialist insurance products, such as accident insurance for private households. The company has 34 employees, supported by a network of about 5,000 insurance brokers and agents who deal with the company's 200,000 policyholders throughout Germany. These brokers and agents are BBU-AG's direct customers and are supported by the company's regional service teams.

BBU-AG wanted to use innovative approaches to sales and distribution to improve the quality of service which it offers its customers and pave the way for continuing expansion. It saw effective use of the Internet and teleworking as crucial factors in the company's future development. Its principal priorities were:

- making the company more visible and transparent to potential external partners
- integrating such partners (brokers and agents) into the company's electronic processes
- providing better online information and support to partners
- streamlining the company's internal processes

The technical solution

The company installed a industry-specific client-server application, i.Gate, which provides support for back-office dealing in the insurance business. The application has an inbuilt 'plausibility' feature which helps to reduce the number of mistakes made when entering policy data. This improves the promptness and quality of the support service to the external partners (agents and brokers) and is a significant move towards the company's longer term goal of offering them a service package containing optimised information, communication and documentation management.

A dedicated 2 Mbit/s Internet connection was installed together with Checkpoint firewall and encryption software to provide fast Internet access and ensure the security and integrity of communications with teleworkers and external partners.

The system is currently designed to handle up to 200 simultaneous accesses. However it is scalable and extra capacity could be installed to overcome peak hour congestion or larger numbers of users.

The results

Teleworking has helped the company to improve the quality of its customer service. The service can be provided outside normal office hours and it is possible to bring part-timers on board to cover peak hours without having to rent extra office space.

Brokers and teleworkers can now send or receive information to the system over a secure connection and receive a rapid response. They also have access to the inventory management system so redundant work steps and mistakes caused by multiple submissions are avoided. Technology oriented brokers are enthusiastic because it reduces response times and simplifies the way that they interact with BBU-AG. However the downside for the company is that it now has to cope with data arriving from external partners both electronically and on paper – only a tenth of the brokers were involved in the initial version of the system.

Nevertheless BBU-AG is happy with the approach. The cost of the system for the 500 brokers and agents initially involved in the scheme was recovered in a little bit more than a year. It is difficult to be more precise because the firewall and security features would have been needed to support any online activity by the company.

¹ A more detailed case study can be found on the website of the IST project 'PROTELEUSES' (www.cbt.es/proteleuses), which analysed the ambitions of a number of SMEs and implemented flexible working solutions addressing the principal bottlenecks preventing the achievement of those ambitions.



Employees now have a better balance between work and family life. The evidence for this is lower rates of staff turnover and absenteeism. The move to 'management by objectives' appears to have increased the autonomy, motivation and job satisfaction of individual employees. General Manager Frank Zimmerman says 'The increase in automation helped to reduce standard work processes, which gives us more time to provide high quality support to our brokers. The cost reductions will grow in line with the number of brokers who use the system to the full extent.'

Conclusions

i.Gate is an application specifically designed to provide back-office support for insurance and financial services companies, so the full solution is sector specific and only appropriate for insurance or financial services companies that work through a network of agents and brokers.

However the arrangements for broadband communications and security are relevant to any organisation that sells products, which involve gathering personal information about the end-users, through a network of brokers, agents or retailers.