



## DONAU VERSICHERUNG AG VIENNA INSURANCE GROUP

### CENTRAL ADMINISTRATION OF ALL PAYMENTS

“We now have a uniform customer view – across all sectors and companies. Our payment transactions are therefore much more transparent, including the legal basis for the claims system and the link to our external collections office.”

**Robert Redl**, Business Administration Director,  
BIAC GmbH

#### QUICK FACTS

##### Company

- Name: Donau Versicherung AG  
Vienna Insurance Group (VIG)
- Location: Vienna
- Industry: insurance
- Products and Services: insurance  
(life, motor and property insurance)
- EGT (profit on ordinary business activities): 44 million EUR (2007)
- Employees: approx. 1,400 employees
- Web site: [www.donauversicherung.at](http://www.donauversicherung.at)
- Implementation partners: BIAC Business Insurance Application Consulting GmbH, [www.biac.at](http://www.biac.at), SAP Consulting

##### Challenges and Opportunities

- Fit integrative processes into the master concept already implemented throughout operations
- SAP Collections and Disbursements for Insurance must communicate with both the host and SAP Policy Management
- Transfer mass data
- Two release changes during roll out

##### Objectives

- Standard software solution for all companies in the Vienna Insurance Group
- Cost savings through incremental replacement of island solutions and individually developed systems
- Create the prerequisites for further modules of the SMILE project (standardized insurance management system for European countries)
- Complete replacement of the old collections system
- Incremental replacement of the host

##### SAP Solution and Services

- SAP Collections and Disbursements for Insurance

##### Implementation Highlights

- Business workflow for processes involving several employees
- Good conversion of mass data
- High acceptance rate among users

##### Why SAP

- Standard software
- Integrated system
- International partner, multilingual capabilities

##### Benefits

- Better basis for customer communication
- Greater transparency of cash flow
- Standard dunning procedure for all three insurance sectors
- Support for four types of collections (individual, customer, broker and key account)
- Field staff can view cash flow online
- Connection to new media (web accounts status, broker reporting via Internet, correspondence as PDF by email)

##### Existing Environment

SAP ERP (FI, BP, CM, CS, SEM)  
SAP Customer Relationship Management  
SAP NetWeaver Business Intelligence

##### Third-Party Integration

- Hardware: IBM mainframe
- Operating System: AIX
- Database: DB2



# DONAU VERSICHERUNG AG VIENNA INSURANCE GROUP

## CENTRAL ADMINISTRATION OF ALL PAYMENTS

The Vienna Insurance Group is one of the leading Austrian insurance groups active in Central and Eastern Europe. With the introduction of SAP Collections and Disbursements for Insurance at Donau Versicherung, as part of the Vienna Insurance Group, customer service representatives, Call Center staff and brokers can now access all collection and disbursement information centrally.

The Wiener Städtische Versicherung AG Vienna Insurance Group with its many subsidiaries (in the Czech Republic, Slovakia, Hungary and other countries) is one of the leading Austrian insurance groups active in Central and Eastern Europe. Some 20,500 employees work for the group in 23 countries and 45 companies. The Vienna Insurance Group offers all types of insurance. Donau Versicherung AG, founded in 1867, joined the group in 1971. Around 1,400 employees work for the company in eight provincial headquarters and numerous local branches throughout the country, offering some 530,000 customers personalized insurance protection based on their individual needs.

BIAC - Business Insurance Application Consulting GmbH is the IT subsidiary of the Vienna Insurance Group (VIG) and a certified SAP Customer Competence Center. Complete solutions tailored to the needs of the insurance industry are selected, developed, implemented and continually adapted for the entire group and its partner companies.

### Changeover of all IT Processes to SAP ERP and SAP for Insurance

The Vienna Insurance Group already decided in 2003 to change over all processes to SAP, replacing the existing island solutions and individually developed systems in order to save costs. This change was to include implementation of a standardized insurance management system for contract administration, claims and services as well as invoicing. In one of the largest SAP projects in Europe (SMILE), SAP for Insurance is going to be rolled out module by module.

“Thanks to the stability and transparency of the new system, it enjoys a high acceptance rate among users. The launch was a very positive experience overall. Moreover, we managed to smoothly integrate the new solution into the old legacy system and to add new applications.”

**Robert Redl**, Business Administration Director, BIAC GmbH

This solution enables a standardized structure and workflow for all processes at all companies in the group and in all countries. By defining a master concept, efficient solutions in one company can be emulated as the

standard elsewhere (best practices). “We were looking for an innovative, standardized IT solution in order to incrementally replace our existing cost-intensive island solutions and host SAP with its international orientation is a future-safe investment for us,” says Robert Redl, Business Administration Director at BIAC, when asked how the company reached its decision.

### Cross-Border Harmonization

In 2007 Donau Versicherung was the first company in the Vienna Insurance Group to introduce SAP Collections and Disbursements for Insurance. The host can now gradually be replaced in order to create an integrated SAP foundation for the use of SAP Policy Management. With the goal in mind of harmonizing the various group companies, a master concept needed to be created to both reflect the individual requirements of Donau and to serve as basis for the roll out in other countries. “In choosing SAP

Collections and Disbursements for Insurance the group decided on a complete solution that is to be used in all countries where group companies do business. The existing collections and disbursements system will be



“In choosing SAP Collections and Disbursements for Insurance the group decided on a complete solution that is to be used in all countries where group companies do business. The existing collections and disbursements system will be completely replaced.”

Robert Redl, Business Administration Director, BIAC GmbH

completely replaced,” Robert Redl explains.

### Payment Information always Available

“With SAP Collections and Disbursements for Insurance, Donau Versicherung can manage incoming and outgoing payments quickly, precisely and efficiently,” notes Peter Koizar, who is working on the project for SAP Austria. The system gives all employees a complete picture of incoming payments and open items at all times. A central process provides views of all incoming and outgoing payments, bank data media, the complete dunning process up to and including threat of legal action and the corresponding legal basis. In addition, all disbursement transactions, such as premium refunds, claims payments and commissions, as well as information on cash flow can be called up in the system. This means that it is clear for every claim whether the customer is to receive any money and how much.

The information stored in SAP Collections and Disbursements for Insurance is also available to the Call Center staff. Via SAP Customer Relationship Management the necessary information in SAP Collections and Disbursements for Insurance can be called up at any time (credits, late payments) and conveyed directly to the customer. Field staff can access the current payment status and collections information online and thus have all the information they need at their fingertips when visiting customers. The

system supports all four types of collections in use at Donau Versicherung (individual, customer, broker and key account). For processes involving several people, SAP Business Workflow is deployed to ensure maximum transparency.

### Uniform Customer View across all Sectors and Companies

Since introducing the SAP module, Donau has been able to harmonize its dunning procedures across all three insurance fields (life, motor and property). “We now have a uniform customer view – across all sectors and companies. Our payment transactions are therefore much more transparent, including the legal basis for the claims system and the link to our external collections office,” remarks Robert Redl.

Policy billing and payments result in balances on customer accounts or contracts. All bank data is fed into SAP Collections and Disbursements for Insurance, yielding the corresponding booking in SAP ERP Financials. This means that 24 million bookings are transferred via a single interface from a subledger into the general ledger. Donau Versicherung currently manages some two million contracts using this system, with transactions in the amount of four billion euros per year. Every four months, around eight million bookings are added.

### Excellent Cooperation

BIAC, which as a certified SAP Customer Competence Center handles software development and organization for the entire corporate group, was in charge of project management for the roll out of the new system. During the two-year transition period, 11 people worked in a technical core team on implementing the solution for some 800 users. “The SAP team had an excellent working relationship with the various departments at Donau Versicherung. Everyone involved was extremely capable and the employees in our SAP Customer Competence Center were able to build up a solid grounding in the system,” remembers Robert Redl. Two release changes during the implementation phase posed a special challenge. Donau Versicherung wanted to go live with the most recent version in order to ensure greater stability for future upgrades.

All three system sectors at Donau Versicherung (life, motor and property insurance) had to be integrated, with the complete existing pool of master and transaction data transferred into the new system. Robert Redl emphasizes: “We wanted to achieve the best solution for our business processes and to make sure the processes are standardized and applicable in all group companies. We succeeded in achieving just that with the introduction of SAP Collections and Disbursements for Insurance at Donau.” This is why a relatively long project time was required, during which, however, everything was

implemented right on schedule. Due to the continued use of the pre-existing system, SAP Collections and Disbursements for Insurance must be able to communicate with both the host and the other SAP systems.

### High User Acceptance

Robert Redl is pleased at the success of the project: "Thanks to the stability and transparency of the new system, it enjoys a high acceptance rate among users. The launch was a very positive experience overall. Moreover, we managed to smoothly integrate the new solution into the old legacy system and to add new applications."

After the three-month consolidation phase, the next step in the roll out took place for Wiener Städtische Insurance in August 2007 and in parallel for the Kooperativa company in the Czech Republic.

© 2008 by SAP AG. All rights reserved. SAP, R/3, mySAP, mySAP.com, xApps, xApp, SAP NetWeaver, Duet, Business ByDesign, ByDesign, PartnerEdge, and other SAP products and services mentioned herein as well as their respective logos are trademarks or registered trademarks of SAP AG in Germany and in several other countries all over the world. All other product and service names mentioned are the trademarks of their respective companies. Data contained in this document serves informational purposes only. National product specifications may vary.

These materials are subject to change without notice. These materials are provided by SAP AG and its affiliated companies ("SAP Group") for informational purposes only, without representation or warranty of any kind, and SAP Group shall not be liable for errors or omissions with respect to the materials. The only warranties for SAP Group products and services are those that are set forth in the express warranty statements accompanying such products and services, if any. Nothing herein should be construed as constituting an additional warranty.