Allianz Insurance successfully migrates insurance system from PowerBuilder to Java using Metex's Modernization Solution

"Metex transformed our core ABS system from PowerBuilder to modern, native Java code with minimized frozen zones resulting in a significant cost savings and reduced project risk"

Thomas Tik, Chief Architect & Development Manager, ABS - Allianz Insurance

Customer: Allianz Insurance
Web Site: www.allianz.com
Customer Size: 152,000 employees
Country or Region: 70 Countries
Industry: Insurance

Organization Profile
The Allianz Group is one of the leading integrated financial services providers worldwide.

With approximately 152,000 employees worldwide, the Allianz Group serves approximately 75 million customers in about 70 countries. On the insurance side, Allianz is the market leader in the German market and has a strong international presence.

In fiscal 2009 the Allianz Group achieved total revenues of over 97.4 billion euros. Allianz is also one of the world's largest asset managers, with third-party assets of 926 billion euros under management at year end 2009.

Background

The Allianz Business System (ABS) is an integrated insurance system based on an enterprise data model and comprises a fully integrated CRM system. It covers all lines of business and all insurance specific business processes. ABS was initially developed in Sybase PowerBuilder and contained about 3.5 million lines of business logic and User Interface code and 2000 windows organized into numerous functional areas.

After 10 years in production it became apparent that in order to satisfy future functional and technical requirements, the application would have to be migrated from the underlying PowerBuilder platform due to issues such as:

- Decreasing vendor support
- Exposure to changing licensing strategy
- No developer community or talent marketplace
- Massive functional gaps compared to Java or .Net
- Multi-year delays to support new technologies

The strategic value of ABS combined with the vision to make ABS the global solution for Allianz Group and other insurance companies justified the investment in a state-of-the-art platform and made the migration one of Allianz's key strategic projects.

Business Challenges

One of the biggest challenges of this project was how to modernize the ABS system without freezing ongoing development. New enhancements and functional requirements needed to be addressed without impacting the current business. Furthermore, those continued enhancements needed to be merged into the new ABS system. In addition, the ABS code base was used and maintained by 4 development teams in three countries which added significantly to the complexity of the migration effort.

Business Goals

In addition to addressing the PowerBuilder platform issues, Allianz identified a number of goals they wanted to realize from this project including:

Functional
- Internationalization
- Improved usability
- Support for user preferences
- Support for flexible screen resolutions

Technical
- Elimination of PowerBuilder Code due to language and system restrictions
- Replace PowerBuilder IDE with Eclipse
- Utilize the wide range of Java tools and libraries

Commercial

- Elimination of Sybase EA Server licence cost
- Elimination of PowerBuilder licence cost
- Switch to Open Source for various tools and libraries
- Multi-vendor / open system strategy

Organizational

- Give Allianz developers the chance to work in a state-of-the-art environment
- Utilize the large pool of Java programmers

Solution

After thorough consideration of the various modernization options (manual rewrite, COTS, etc.) and an extensive evaluation of potential partners, Allianz selected Metex to perform the modernization of the ABS application.

Metex's Application Modernization Solution allows customers to leverage their investment in existing legacy applications by automatically regenerating existing code bases into more up-to-date technologies and programming languages.

Using a sophisticated set of in-house tools and a proven methodology (developed over numerous years), Metex was able to recycle and transform over 1.5 million lines of the ABS PowerBuilder code to native Java code.

Metex also provided re-engineering services to optimize the usability and flexibility of the User Interface and to utilize the Java internationalization conventions.

Metex accommodated Allianz's ongoing business by seamlessly merging any new business logic and enhancements to the ABS PowerBuilder application into the modernized Java ABS application.

Benefits

The ABS Core modernization, which included a running proof of concept, was completed by Metex within 8.5 months and was delivered with all the desired functional, technical, commercial, organizational and code quality goals reached.

The modernized application now leverages all current technologies, architectures and frameworks and complies with both Java and Allianz's specific coding and architectural standards.

ABS is now available in several languages allowing for expansion into new markets and territories.

Additionally, the new ABS system gained a 20% performance improvement with some pages measured at 80% faster.

Advantages

Risk Mitigation:
"The proof of concept, which took only 6 weeks, proved to us after a very short time and with a small investment, that Metex was able to do the project."

Transparency:
"Regular communication through demonstrations, conferences, status reports and the Metex ClearView system allowed us to tightly track the progress."

Fixed Price Solution:
"The fixed price together with the early proof of concept reduced our project risk significantly."

Flexibility:
"Metex was very open to our shifting the migration schedule back and forth as external influences made that necessary."

Reduced TCO:
"The following factors reduced our TCO in the long run: reduced license costs, a huge amount of Java open source components and experienced Java developers on the market, the ability to move from Windows to Linux, better development tools for Java and better performance - to name the most important."

Improved System Reliability, Availability and Serviceability (RAS):
"The overall complexity of the system is reduced now because we eliminated one development and runtime environment completely. In addition, we now use many standard Java features for system management and operation, which are superior in function and reliability."

Thomas Tik, Allianz Insurance