

HEALTH

Glatfelter Pursues Data Mining Opportunities

Data warehousing guides Glatfelter toward goal of maximizing the potential of its data, writes Michael Levine.

Sometimes the IT needs of an insurance company are so serious that a new CIO's agenda can start even before he begins his duties.

In May 1997, before Wayne Umland was officially brought aboard as executive vice president and CIO at Glatfelter Insurance Group (York, PA), he was told by management that a critical issue at the company was the lack of a satisfactory system for accessing vital customer information from the company's databases.

After his official hiring in June 1997, Umland set about finding a data warehousing solution that would allow managers to effectively retrieve customer infor-

mation from the databases of four disparate production systems. The valuable information could then be used for business opportunities.

"The basic problem was there was no standardized, consistent reporting here," says Umland. "We had a series of databases that were closed or proprietary and vendor-supported. We weren't able to [effectively] get information about our business into the hands of our users." Valuable customer information lay virtually inaccessible.

Historically, programmers from Glatfelter's IT department would be called upon to generate reports, based on their expertise in a particular system, creating inefficiencies in terms of timeliness and depth of information.

Managers could wait days while the reports were generated, and the information would only be based on data residing on one system. "We really needed to understand our customers better and more completely," Umland explains. "We wanted to utilize what we had within our systems for marketing opportunities. It was the need to interrogate our files that led us to a data warehousing solution."

Together with Kevin Mills, Glatfelter's director of applications, Umland set out to find a vendor that could supply a total data warehousing solution that would free up programmers and allow managers to generate their own reports, which could be used for marketing purposes.

By the end of November 1997, they'd completed their evaluations and opted to go with Olympic Group (Wood Dale, IL). Olympic was given a time frame goal for implementation, and, by the end of February, its amis v8 data warehousing system had been installed at Glatfelter. The system went live in May 1998.

The system resides on an IBM (White Plains, NY) AS/400 server, and users access it on Gateway (San Diego) desktop workstations. "The interface is Olympic's Spreadsheet Link. The users are in their spreadsheet and just click an icon to connect with the amis software," says Mills. "The application is a completely integrated data warehousing solution."

There are currently seven non-IT personnel and seven IT staff members who can access and manipulate the system. According to Mills, the ultimate goal is to make "the system available over the company's wide area network, then to Web-enable it." Glatfelter will work with Olympic to do the latter over the next several months.

The goals of the implementation have been met and surpassed, according to Umland. "It has allowed us to look at segments of our business. For example, how many claims did a group of policies in one group have, versus a group of policies in a second group?" he says. "Other things we are now able to study include rate adequacy and renewal ratings."

Implementation of the \$250,000 system, including the IBM hardware, went very smoothly, according to Umland. "We implemented a system that was already integrated [using one vendor], and it went very well. I wouldn't do anything differently, if I had to do it over again," he says. ●

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SOLUTION: DATA WAREHOUSING



COMPANY NAME:

Glatfelter Insurance Group, York, PA, \$250 million in unaudited 1997 written premiums.

LINES OF BUSINESS:

Commercial P&C, accident and sickness policies, specialty commercial insurance programs, personal lines, group life, group health.

VENDOR/TECHNOLOGY:

Olympic Group's (Wood Dale, IL) amis v8 data warehousing system.

THE CHALLENGE:

Install a data warehousing solution to allow independent production of business intelligence reports, in order to create marketing opportunities.



"We really needed to understand our customers better and more completely," says Glatfelter's Wayne Umland.