software AG

Clal Insurance

Building bridges to insurance partners with webMethods spanning the gaps

Customer reference story

CLAL
INSURANCE & FINANCE

"Software AG and webMethods gave us the long-term stability to outperform our competitors in good and tough financial conditions alike—and the agility to respond at lightning speed to customer demands, partner requests and aggressive regulatory law change. Nobody else comes close to providing such robust and comprehensive solution platforms."

– **Haim Inger** CTO, Clal Insurance Enterprise Holdings Ltd.

Customer Profile

Clal Insurance Enterprise Holdings Ltd. is a multi-award-winning insurance and long-term savings group. Founded in 1987, the company has grown rapidly to 4,200 employees and 1,500 agents by offering innovative insurance and savings products. The company is among the leading life, health and general insurance companies and a top digital innovator.

New challenges

- Growing SLA compliance risks
- An aggressive regulatory environment
- Rising costs
- InsurTech disruptors
- Internal-external file integration overload
- Lagging time to market

Software AG solutions

Integration & APIs

Key benefits

- Cut time to market
- Slashed costs
- Boosted agility
- Implemented unified file connectivity system
- Achieved 99.9999 percent system availability

A perfect storm's perfect solution

Clal Insurance has been rocketing to the top—among the leaders in its country's insurance industry—since its founding in 1987.

A tight focus on innovation and the foresight to digitalize early has won it a host of awards along the way. But in the past decade, a perfect storm of events has set clouds in Clal's path: a global financial crisis, aggressive changes to the regulatory landscape, and the challenge of low-to-zero interest rates.

This meant more than ever that the company needed to meet strict SLA compliance or risk major fines, achieve agility in line with the best in InsurTech, and drastically reduce time to market.

It was clear that to stay on the successful course it had been charting, Clal needed a change. And it needed a trusted partner to step up with the right solution—at the right time. Thanks to Software AG and webMethods, Clal deftly navigated the threatening thunderclouds for open skies.

Using webMethods Clal built a technological foundation on the best integration platform in the business.

But that was just prologue to something even more powerful: a central, unified platform to connect core systems with external partners ranging from more than 70 agencies to the Ministry of Finance's Pension Clearing House.

A total success, this platform now handles traffic reaching millions of files per month—covering events and information requests ranging from pensions to payments, from powers of attorney to clearing fees—all while massively cutting costs, time to market and SLA compliance risks.

Foundation for rain or shine

Clal's investment in webMethods started in 2002, when the company recognized the need to build an integration platform far more robust than what it had been using before.

The move was a strategic win: It put Clal ahead of its rivals when the insurance industry hit turbulence in the decade that followed.

"Nobody can perfectly time the coming of a financial crisis, which makes it imperative for a company like ours to remain vigilant—without sacrificing growth or the expansion of new services," says Heim Inger, CTO. "With Software AG, we were always prepared."

Using webMethods for Integration was a no-brainer, no matter the business landscape. It allowed Clal to:

- Integrate more than 100 distinct applications with more than 1,000 running instances
- Respond to 100 law changes a year which would have required more than 100 worker-years of updates
- Provide common APIs and services, and
- Standardize development

"And by separating application and integration logic," says Inger, "we doubled-down on security."

We have a winner

With its foundational integration platform in place, Clal set its eyes on the next challenge: How to replace its existing third-party system. And it needed to happen fast, because Clal was rushing towards a breaking point: The risk of creeping SLA compliance issues threatened millions in fines or loss of license for events that didn't meet deadlines, failure to respond to small demands being priced in under a month, and an inability to handle file transfer volumes or work in parallel.

"The status quo was hitting our team, and our company, in time, money and nerves!" Inger said.

So with Software AG at its side, Clal used webMethods to build a central, unified platform of record. It delivered on all cylinders to achieve internal-external connectivity and file transfer across formats and systems. The upside was dramatically improved time to market for regulatory changes and parallel treatment to increase output and improve SLAs, and robust survivability that lifted availability to a jaw-dropping 99.9999 percent.

Already a success after such short implementation, this platform is now poised for a new phase. Clal and Software AG are tweaking it to handle hard regulation requirements and new event types, improve performance by increasing event volume, and add processes to BPM to achieve end-to-end process management and monitoring.

That's how Clal stacked the board by combining long-term strategic planning with a partner agile enough to respond on time and as needed. And it's how Clal has achieved record market penetration and smiling customers through tough financial weather—so it can soar to new heights now that it's reached blue sky.

ABOUT SOFTWARE AG

Software AG began its journey in 1969, the year that technology helped put a man on the moon and the software industry was born. Today our infrastructure software makes a world of living connections possible. Every day, millions of lives around the world are connected by our technologies. A fluid flow of data fuels hybrid integration and the Industrial Internet of Things. By connecting applications on the ground and in cloud, businesses, governments and humanity can instantly see opportunities, make decisions and act immediately. Software AG connects the world to keep it living and thriving. For more information, visit www.softwareag.com.

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