



By
Gates Ouimette

As technology became more nimble in the hands of the end-user, evidenced by the growth of networks and distributed applications, focused improvements in productivity and efficiency were realized. Combining this movement toward individual or business unit applications with an ongoing theme of corporate mergers and acquisitions, and insurance carriers buying and selling existing books of business, has resulted in a wealth of data for carriers.

tion/master data management effort being viewed in the same light as a massive enterprise resource planning project, there are end objectives that can be undertaken to provide readily achievable yet significant benefits such as cost reduction, cost containment, more efficient/effective customer cross-selling, increased sales effectiveness and enhanced distribution relationships. The key to achieving these objectives in a timely and economically viable approach is to focus on an end-deliverable known as a reference hub.

In a recent *CIO Magazine* article, Bartłomiej Niesierowicz, a senior consultant with CGI, advises that a reference hub can be a fully functional “light” customer data

management/master data management implementation, without the immediate need to invest in a fully online transactional hub. Global insurance carriers already are using this approach, realizing more immediate benefits.

From a time frame and required investment perspective, a reference hub can be implemented more quickly and less expensively than a fully online transactional hub, while having many of its same elements. Specifically, a successful reference hub implementation requires an understanding of where relevant data resides. It also must “understand” how to access that data, along with when and how often. Most importantly, the reference hub must be implemented to recognize where the most accurate data resides and then provide for overall data cleansing, where different formats and definitions of data can be rationalized to provide the “right” data.

The reference hub is, in effect, the ultimate repository of data about the data. Once implemented, the data it is referencing can be transformed by line of business users into actionable business information using tools such as customer relationship management and business intelligence. Only on the backbone of customer data integration/master data management will investments in these other tools live up to their full potential. **BR**

All About the Data

Customer data integration and master data management help carriers mine a wealth of data.

In moving to the next level of technology’s value to the business, the need to mine this data is where the complementary concepts of customer data integration and master data management are key. Customer data integration is defined as the technology, processes and services of consolidating and managing customer data in preparation for it becoming business information. Data types range from basic contact details, demographics, and contractual data from both in-force business and in-process new business to more sophisticated information such as customer valuation. An important customer data integration activity is being able to capture data from sources, such as direct sales, direct marketing, agents/brokers/distributors and the Internet in as close to real-time as possible.

Complementing customer data integration, master data management is a comprehensive approach to linking all of an enterprise’s data elements into a single, consistent view. By providing this “single source of truth,” master data management streamlines data sharing and converts that data into business-level information.

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Best’s Review *columnist* Gates Ouimette is a partner, life insurance vertical, for CGI. He can be reached at gateso@yahoo.com.