

Internet-Based Agent Commission Statement System

Edgewater builds an Internet-based agent commission statement system for a major insurance provider.

Edgewater's eSolution:

- ▶ **Reduced call volume to support staff by providing agents with flexible, more robust access to statements via an online system.**
- ▶ **Minimized monthly paper handling previously required to distribute reports.**
- ▶ **Increased revenues as agents show a preference for the commission statement process and sell more of the organization's products and services.**
- ▶ **Contributed to greater agent retention in the competitive insurance sales industry.**

A Leading Provider

As one of the largest insurance organizations in the industry, this company provides a diverse array of life insurance products, retirement savings, and investment products ranging from individual life, dental, credit life and disability insurance, guaranteed investments contracts to fixed and variable annuities. Products are distributed through many sales channels such as: independent agents, insurance brokers, company sales representatives, stock brokers, and financial institutions. All of these different channels and agents funnel commission-driven transactions that require constant support with their commission statements.

With their many different sales outlets, and an agent commission statement system that was not engineered to handle this organization's continued growth, they realized the need to look for ways to relieve congestion in their old process. They found major operational roadblocks in the weekly and monthly reporting of agent commission statements that provided the details behind agents' commission payments. Due to the importance of the statements to their sales agents, who usually represent more than one company, the insurance organization needed to streamline their agent commission statement system while alleviating the growing congestion for their internal support staff.

Re-Work the System

The Individual Life Division (ILD) of this organization works with hundreds independent and non-independent agents who sell their products and services. These agents rely heavily on commission

reports to calculate their commission checks on a weekly and monthly basis.

In the past, the commission statements were mailed to agents or their respective companies by the insurance organization's internal support staff. By relying on mail to distribute the statements to the agents, the process was often slow and in many instances the checks arrived simultaneously with the report which did not allow the agents to review the statements for errors prior to the checks being generated. Consequently, the support staff was inundated with phone calls from agents ranging from requests for commission statement information (prior to the statement being generated) so that agents could calculate their commission in advance, to specific questions about the amount of their checks or a question on a transaction.

When the support staff received these phone calls, they had to find the requested information through a largely manual process. Data related to the agents' commission was stored online for approximately two months, but after two months, all the report information was transferred to microfiche, making historical data not readily accessible and requiring many man-hours of manual searching for a specific piece of information. Without easily accessible historical records and commission statements, retrieving and relaying pertinent data to the agents often meant a series of phone calls between the internal support staff and agents. This not only made the process time consuming but also costly.

Realizing the need to operate more efficiently and to better serve their agents, the organization partnered with Edgewater Technology to assist them in streamlining their commission reporting process.

The Business Solution

Edgewater worked closely with key ILD personnel to strategize and define a process overhaul that would give agents access to their own commission statement data within hours of a weekly or monthly commission statement run. In addition, they needed to alleviate the operational strain that historical data research was placing on both agents and their support staff. To accomplish these goals, Edgewater developed an Internet-based system accessible by agents and support staff via the Internet or local area network (LAN). Now, agents or larger agencies can log-in to a secure, password protected area on this company's web site and view their commission statement data hours after a commission run. The new commission statement system allows for access to 18 months worth of commission statement data. Also, agents are able to search the database for specific transactions or specific statements.

This system also gives the support staff the ability to send out mass e-mails (also known as an e-mail push) to agents immediately after

a commission run. The data from the reports is captured automatically and compressed into a size easily downloaded by the agents which significantly reduces the amount of man-hours spent preparing each run for mail or special handling instructions.

The company's user department has ultimate control over this system enabling them the flexibility to close down a particular commission run or the entire site within seconds.

Prior to the new commission statement system, the support staff was unable to handle requests from agents with only one phone call, but now they have access to almost two years worth of historical data at their computer terminals along with an easy-to-use search functionality providing them the ability to perform the necessary research and answer questions while agents are still on the initial phone call. The new system has dramatically decreased the congestion in the support call center and provides agents with quick, accurate responses to their requests. Overall, the commission statement system provides this insurance organization with a strategic advantage over their competition, with whom they share their agents, because this system is user friendly and offers agents a wealth of information. Since the implementation of Edgewater's eSolution, this company has realized an increase in revenues due to the agents' preference for this company's commission reporting system.

The Technical Solution

The Internet-based commission system that Edgewater built is a three-tier system. The front-end client consists of a browser, while custom software provides the searching and navigation to commission data. A Java applet from Crystal Reports is automatically downloaded and installed the first time a report is accessed by a user and is then stored for the users next session. This thin-client architecture ensures that there is no complicated distribution and installation.

The middle-tier consists of servers running Microsoft Transaction Server (MTS), Crystal Reports web server, Microsoft Internet Information Server (IIS) and Microsoft Exchange. The middle-tier application software consists of web pages (HTML, ASP), and COM objects written in Visual Basic (VB) configured to run under MTS. In addition, there is a custom File Loading Utility and an e-mail generating utility. The file loader takes parameters passed by Opalis Robot software and loads the specified weekly or monthly data file into the database. Opalis calls the custom e-mail generation program after a successful load is signaled.

The third-tier (backend) consists of Microsoft SQL Server, the database schema, and stored procedures to manipulate the data. To insure agent commission records are kept confidential, 128-bit encryption was implemented using Secure Socket Layers (SSL). In addition, there is a VB COM object that resides on the web server in the user's session.

The security object includes the following functionality:

1. Validates user log-on;
2. Loads and stores user data (e.g. Agent ID, e-mail address);

3. Provides the ability to update user data and;
4. Provides a "back-door" that allows the Administrative user to impersonate an Agent in order to provide better customer service. The administrative log-on is never exposed to anyone other than the Admin user. There is a log-on that requires the user to know the Administration password; however, the individual web pages that make up the Administration functionality are secured using NTFS security so that only those users that have been given access to the admin web pages are able to use them, even if they know the Administration password.

Technologies and Tools

Active Server Pages (ASP)
 Crystal Reports
 DCOM/COM
 Microsoft Collaboration Data Objects (CDO/MAPI)
 Microsoft Internet Explorer
 Microsoft NT/NT IIS
 Microsoft SQL Server
 Microsoft Transaction Server (MTS)
 Netscape
 OPALIS Robot (Scheduler)
 Outbound
 Visual Basic (VB)/VBScript/JavaScript
 Visual InterDev

