



Genworth

A leading insurance holding company serving the lifestyle protection, retirement income, investment and mortgage insurance needs of more than 15 million customers.

Industry: Insurance
Geography: United States

Deployment Summary

- Grid-computing strategy virtualizes data components and business logic found in mission-critical applications and distributes these services across available system resources as needed.
- Solution replaces a farm of 10 dedicated servers with 35 desktop machines linked by grid infrastructure, allowing company to accelerate time-to-results and increase the number of modeling iterations achieved within a given timeframe.
- Grid computing enables Genworth to scale without the purchase of additional hardware, so the company has decided to implement a grid strategy across the enterprise.

Benefits

- Grid-computing infrastructure gives Genworth an affordable and resilient IT environment for fast, in-depth analysis and improved decision support.
- Grid infrastructure enables the company to perform additional, more-sophisticated stochastic analysis to drive better risk management and support regulatory requirements with ease.
- Grid solution leverages available, underutilized computing capacity to reduce cycle times of actuarial projection software from days to minutes, giving the actuarial team improved performance and control in determining premiums and optimizing cash flow while minimizing risk.



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Scott McKay, Global CIO, Genworth

Reduced IT expenses and improved risk management for Genworth

Background

Genworth is a leading insurance holding company serving the lifestyle protection, retirement income, investment and mortgage insurance needs of more than 15 million customers. Built on GE heritage, the company has more than 5,000 skilled professionals overseeing \$103 billion in assets throughout its global operations in 20 countries.

Challenges

During the last decade, the insurance industry experienced a paradigm shift led by new compliance and regulatory issues and a realization that legacy technologies were ill-equipped to handle the speed and capacity requirements needed to improve analytic capabilities and bring new products to market faster.

These regulatory pressures gave rise to more stringent requirements for internal capital assessment and risk-profile calculations. Genworth needed to increase the accuracy of its calculations and drive down unmanaged risk while satisfying the industry’s growing appetite for speed and capacity — ensuring customer retention remained high.

With demand for compute-intensive workloads such as actuarial analysis surpassing existing IT resources, Genworth sought new ways to guarantee workload execution and improve the run-time rates of its actuarial applications for financial projects.

Solution

To keep up with the exponential demand for computing power, control costs, and maintain its competitive advantage, the company adopted a grid-computing strategy. Rather than enduring the high costs to build a homegrown distributed-computing solution, Genworth deployed the flexible and highly scalable GridServer® Virtual Enterprise Edition software from TIBCO. The standards-based infrastructure software virtualizes data components and business logic found in mission-critical applications and distributes these services across available system resources as needed.

“The cost to deploy processing across a grid was nominal compared to the expenses associated with building out a clustered configuration, or adding new server boxes,” said Scott McKay, global CIO of Genworth.

With GridServer, Genworth was able to leverage available, underutilized computing capacity within its existing IT infrastructure to reduce cycle times of its actuarial projection software (MG-Alfa, MoSes, PolySystems) from days to minutes, giving the actuarial team improved performance and control in determining premiums and optimizing cash flow while minimizing risk.

Replacing a farm of 10 dedicated servers with 35 desktop machines linked by GridServer allowed Genworth to accelerate

time-to-results and increase the number of modeling iterations achieved within a given timeframe.

"The amount of additional computing power we're getting from the grid is tremendous," said McKay. "With GridServer, we're seeing anywhere from 10 times or more improvement to cycle time, just by retiring dedicated hardware and leveraging assets that we already had."

The success achieved by placing actuarial software on the grid inspired Genworth to evaluate grid-enabling other business-critical applications, including a life insurance application, Genius; annuity administration software, Transcend; and an asset liability application, Profit. To identify and transition into production-appropriate applications, Genworth used TIBCO's GRIDesign Lifecycle, a patent-pending, best-practices methodology that helps companies identify and grid-enable the applications that yield the highest business benefit when integrating into a virtual application infrastructure.

After completing the GRIDesign proof-of-concept, Transcend was targeted as the next grid-worthy application capable of reaping tremendous performance advantages operating in a grid environment. A variable annuity administration system managing accounts in the \$700,000 range, the application suffered from long-running batch cycles, draining computing resources and negatively impacting Genworth's ability to deliver enviable service. To improve performance against service level agreements (SLAs) and drive better risk management, Transcend was added to the grid. Once in production, policy valuation jobs taking 28 hours were processed in only 90 minutes.

Now, to achieve repeated success across the enterprise and to scale without the purchase of additional hardware, Genworth has migrated from a departmental to an enterprise-wide grid strategy.

Results

TIBCO's GridServer solution armed Genworth with an affordable and resilient IT environment for fast, in-depth analysis and improved decision support. Genworth was able to conduct stateful, iterative analysis using temporary resources to meet both the time windows and depth of analysis necessary to maximize return and minimize exposure. As such, the company is able to perform additional, more-sophisticated stochastic analysis to drive better risk management, reduce cycle time for close process, and support regulatory requirements with ease. Once capable of running actuarial models only on an annual basis, today Genworth has the computing capacity to run the same workloads multiple times per quarter at no additional cost.

"With GridServer, we are able to do a better job managing risk," said McKay. "As a life insurance business, you're winning on the backend because the policies you're selling are better underwritten and therefore more profitable."

In contrast to running 35 engines on the grid for one actuarial application and achieving 38 percent faster cycle times, today Genworth has 100 engines on the grid supporting multiple applications and all modeling efforts. The company has significantly reduced IT expenses by retiring costly hardware. Moreover, with dramatically improved application performance and response time, the company is able

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to introduce new competitive offerings and revenue-generating services.

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TIBCO Software Inc. (NASDAQ: TIBX) technology digitized Wall Street in the '80s with its event-driven "Information Bus" software, which helped make real-time business a strategic differentiator in the '90s. Today, TIBCO's infrastructure software gives customers the ability to constantly innovate by connecting applications and data in a service-oriented architecture, streamlining activities through business process management, and giving people the information and intelligence tools they need to make faster and smarter decisions, what we call The Power of Now®. TIBCO serves more than 4,000 customers around the world with offices in more than 20 countries and an ecosystem of over 200 partners. Learn more at www.tibco.com.

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Global Headquarters
3303 Hillview Avenue
Palo Alto, CA 94304

Tel: +1 650-846-1000

+1 800-420-8450

Fax: +1 650-846-1005