

Insurance Firm Increases Responsiveness for Competitive Advantage

With Cisco Unified Communications, Warner Pacific Insurance Services has improved client service and reduced teleworking costs.

EXECUTIVE SUMMARY

WARNER PACIFIC INSURANCE SERVICES

- Insurance
- Westlake Village, California
- 103 employees; three-person IT group

BUSINESS CHALLENGE

- Support company growth
- Enhance customer service
- Reduce telephony costs

NETWORK SOLUTION

- Replace PBX with Cisco Unified Communications system
- Ring mobile employees' desk phone and cell phone concurrently
- Use Cisco Unified MeetingPlace for voice and video conferencing

BUSINESS RESULTS

- Saved US\$150,000 to US\$200,000 annually
- Increased responsiveness
- Reduced cost of continuing education seminars by 50 percent

Business Challenge

With operations throughout California and Colorado, Warner Pacific Insurance Services provides insurance agents and brokers with tools, resources, and support to represent a wide selection of medical, dental, vision, life, and other specialty insurance products. Major insurance carriers use general agencies such as Warner Pacific as a marketing and distribution channel for their products or as an extension of their own sales and service force. The company has approximately 100 employees, including 70 teleworkers.

The voice system has strategic significance to Warner Pacific, which receives an average of 2500 calls daily from thousands of brokers throughout California and Colorado as well as other states. The company's half dozen operators answer every call personally—part of Warner Pacific's commitment to

customer service. "Our voice system is business-critical, because if someone can get in touch with us more easily than a competitor, we gain a competitive advantage," says Dave Nelson, co-CEO.

When Warner Pacific added a second building to its headquarters in Westlake Village, California, in 2004, it decided to replace its private branch exchange (PBX) system, which otherwise would have needed an expensive capacity upgrade. The company decided to take advantage of the opportunity to consolidate its previously separate systems for voice, voicemail, and data into a single unified communications system. A primary requirement for the new system was the ability to serve more users without requiring the company to purchase additional support modules. "We wanted to simply connect new IP phones as needed," says Mike DeDecker, network administrator. Another criterion was for employees to be able to set up and conduct voice and video conferences. Finally, to avoid hiring new IT staff, Warner Pacific wanted the ability to perform moves, adds, and changes without paying a service provider.

Network Solution

The company uses Cisco® Unified Communications Manager for call processing, Cisco Unity, Cisco Unified MeetingPlace for conferencing, and Cisco Unified MobilityManager with the Cisco Mobile Connect application to reach mobile company employees on their mobile phones or personal digital assistants (PDAs). This single-number-reach capability is especially valuable for

employees who are rarely at their desks, like Ken Doyle, director of marketing. Whenever a call is transferred to his desk extension, his cell phone rings at the same time. “By directing calls to my cell phone, Cisco Mobile Connect helps me provide better service to our field sales reps and broker clients,” he says. It also saves time for Doyle by reducing the time that he spends listening to voicemail and returning calls, previously around 30 minutes a day.

Approximately 40 Warner Pacific salespeople and executives use Cisco Unified Wireless IP phones to receive calls from wherever they may be on campus. Employees appreciate that the Cisco Unified Wireless IP Phone 7921G has the same functions as their desk phones, including a speakerphone, mute button, and easy-to-use volume buttons on the phone case. “The long battery life is also very helpful, because if we forget to plug in the IP phone overnight, it is still working the next morning,” says DeDecker. The color screen and graphical user interface make the Cisco Unified Wireless IP Phone 7921G simple to use.

“When we consider new business opportunities, we no longer need to ask ourselves if our phone system can handle it. With our Cisco Unified Communications system, we are free to add communications capabilities as opportunities arise.”

—Dave Nelson, Co-CEO, Warner Pacific Insurance Services

Warner Pacific’s teleworkers connect to the Cisco Unified Communications system using Cisco Unified IP phones and Cisco 871 VPN Routers, gaining access to all of the same productivity features available at headquarters, including Cisco Unity. Their calls now travel over the same broadband connection that they use for data, eliminating the expense of 70 business phone lines and toll charges for calls to Warner Pacific offices.

Warner Pacific takes advantage of Cisco Unified MeetingPlace to conduct audio and video conferences—for weekly sales meetings, for example. Any employee can schedule a conference or initiate a spontaneous conference. To participate with video, employees either use Cisco Unified IP Phones 7985G with built-in video displays or Cisco Unified Video Advantage software with Cisco Video Advantage cameras attached to their PCs, which make video calls as easy as dialing the phone.

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—Mike DeDecker, Network Administrator, Warner Pacific Insurance Services

For centralized monitoring, management, and gathering real-time voice-quality metrics, Warner Pacific uses Cisco Unified Operations Manager and Cisco Unified Service Monitor. The visual, intuitive interface for Cisco Unified Operations Manager, which DeDecker constantly keeps open on his PC, clearly shows the relationship among solution components.

In 2005, Warner Pacific upgraded to Cisco Unified Communications Manager 5.0. Among the most valuable benefits for DeDecker are that software is preloaded on a Linux server and that all software and operating system upgrades are provided on a single CD. "I save approximately one day a month by doing one upgrade instead of one upgrade for each server," says DeDecker. "If I did not tell the users on Friday that I was doing maintenance on the phone system, they would never have known that we upgraded."

The new version of Cisco Unified Communications Manager improves the security of the company's voice system, as well, because it includes Cisco firewall technology and Cisco Security Agent, which prevents disallowed application behavior. The behavior-based approach makes it possible to detect and stop even those actions that have never been seen previously.

Business Results

The investment in Cisco Unified Communications is saving Warner Pacific US\$150,000 to US\$200,000 annually. The largest savings component, US\$84,000, results from eliminating the need to pay for home phone lines for 70 teleworkers. In addition, the ability to perform moves, adds, and changes internally instead of paying a service provider saves Warner Pacific US\$85 per incident, adding up to approximately US\$48,000 annually. The remaining cost savings come from avoiding toll charges because calls between the California and Colorado offices, and calls to and from teleworkers, now travel over the corporate network.

Warner Pacific also credits Cisco Unified Communications with helping employees become more productive. "We do everything that we can to make our existing employees more efficient rather than hiring more people," says Nelson. "With Cisco Unified Communications, our employees can transfer calls more easily, view an online company directory, and review their incoming and outgoing calls from their phones or from Cisco Unified Personal Communicator."

Cisco Unified Communications strengthens the Warner Pacific brand. The solution makes it easier for callers to reach company employees. One reason is the Cisco Mobile Connect application. "A broker can reach a sales representative by dialing a single number rather than first trying the office number and then the cellular number," says DeDecker. "Single-number reach has the potential to increase our sales. All other things being equal, a broker will work with a representative who is easier to reach." A representative whose phone rings just as he or she is walking out of the office can answer it on a cell phone, improving service by sparing the caller from having to redial or leave voicemail. Similarly, an employee who begins a call on an IP phone and wants to continue the call on a cell phone can do so with the touch of a button.

Warner Pacific can more easily retain customer relationships if an employee leaves the company. Instead of calling the employee's personal cell phone number, customers call the office phone number, which belongs to the company. If an employee leaves, the company simply changes the cell phone redirect number in the Cisco Mobile Connect application to the new employee's cell phone number.

PRODUCT LIST

Routing and Switching

- Cisco Catalyst 6500 switch
- Cisco Catalyst 3700 switches
- Cisco Catalyst 3800 switches

Network Management

- Cisco Unified Operations Manager
- Cisco Unified Service Monitor

Voice and Unified Communications

- Cisco Unified Communications Manager
- Cisco Unity
- Cisco Unified IP Phones
- Cisco Unified MeetingPlace
- Cisco Unified MobilityManager

VPN

- Cisco 800 Series Broadband Internet Routers

Next Steps

Warner Pacific is considering using its Cisco Unified Communications system to offer hosted voice services for its brokers' offices, providing another value-added service even while creating a new revenue stream. "When we consider new business opportunities, we no longer need to ask ourselves if our phone system can handle it," says Nelson. "With our Cisco Unified Communications system, we are free to add communications capabilities as opportunities arise."

To make it easier for employees to communicate and collaborate, Warner Pacific will soon provide all employees with Cisco Unified Personal

Communicator, a powerful computer application that helps employees reach people the first time and communicate more effectively. "With Cisco Unified Personal Communicator, our employees will be able to quickly see if colleagues are available or busy before trying to contact them," says DeDecker. "This will help us reduce phone tag and costly communication delays. Employees will also see which method of contact is best: voice, video, instant message, or e-mail. We expect this combination of 'presence' and 'preference' information to save significant time every day." The company also plans to use Cisco Unified Personal Communicator in conjunction with Cisco Unified MeetingPlace. "If you and I are talking, I can launch a Web collaboration session in real-time with a simple mouse click," DeDecker says.

"In our business, the phone system is mission-critical," DeDecker says. "We have gained a competitive advantage by making our sales force so readily accessible."



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