



CUSTOMER CASE STUDY

QBE saves >50% on Oracle EBS run cost, gains personalized service by changing MSP to Inoapps

INDUSTRY

Insurance

LOCATION

Sydney, Australia

OVERVIEW

Sydney-based insurance giant QBE (traded as QBE on the XASX) was looking for a new managed services provider (MSP). QBE Senior Vice President and Head of Technology Ash Clarke had just taken ownership of the global finance application, part of which was provisioned on their current MSP's cloud.

The company runs Oracle E-Business Suite (EBS) and a set of complimentary applications, with separate instances for Europe, Australia and North America. Clarke and his team were exploring the move to Oracle Cloud Infrastructure (OCI) along with alternatives to their current MSP who had been supporting their Oracle EBS instances in the cloud.

In a few short months, Clarke and his team halved their Oracle EBS run time costs, secured more personal and attentive services from their MSP and cut run time for Oracle EBS queries from 20 to 40 percent.

QBE was able to do this despite an enterprise environment that was complex and needed attention—including Oracle EBS, a data warehouse, an IBM data provisioning layer, a payment gateway and an assortment of other Oracle and non-Oracle technologies, some running on databases that were out-of-date.

BENEFITS



Faster Oracle E-Business Suite querying by 20-40%



Certain aspects of one batch running 50% faster, even before streamlining



Responsive service with dedicated, named DBAs



Run costs cut in half

NEEDED PROACTIVE SERVICE

"What we were looking at was cost and service quality," Clarke said. "We need responsiveness and urgency when we have critical issues. With our previous vendor it took a day or so before an issue was properly looked at. We wanted a level of proactive service and monitoring to better preempt problems. If there was a problem, we wanted our team to be able to speak to a database administrator (DBA) to get that problem fixed, not have it sit in a virtual queue."

After investigating moving their enterprise environments to OCI, their current MSP was only able to offer a 5-7 percent run cost saving.

While evaluating their options, QBE approached Gartner to help validate the OCI platform, as well as recommend a new MSP. Although Gartner recommended Inoapps along with a few others, Inoapps was most responsive from the start.

"After calling each MSP's sales team, I provided our planned OCI consumption and asked for an OCI run cost and managed service estimate. The cost for cloud and MSP services did not drop much during negotiations with our current vendor. However, within just three days Inoapps came back with a number just over a third of their price which was very interesting."

Although QBE signed with Inoapps for a scope that ultimately carried a price tag closer to half of their current supplier, the

team was required to go through a formal request for proposals (RFP) process, and according to Clarke Inoapps won on more than price.

"We had a formal set of criteria—which of course included cost, references and the ability to do the work," Clarke said. "The most pressing questions we had were around service responsiveness and service quality. We spent a lot of time with each vendor to determine what the service would look like, what personalised contact we would have, and whether we would have a primary and secondary DBA for continuity. Cultural fit and service responsiveness were important. We wanted them to demonstrate they had done it before, put together a timeline and plan that was credible, and demonstrate that costs would come in at the level we needed."

To get a good feel for each vendor, Clarke made his team freely available to Inoapps and competitors during a three-week period.

"We wanted to see how each vendor would work with us," Clarke said. "How did they act during workshops? Did they maximize our time together? Inoapps was very good at staying in constant contact and gleaning bits of information on how to course correct what they were proposing. They would regularly ask what else they could do to get the proposal closer to what we needed. Other vendors could have done the same, but Inoapps were the most consistent and on point."

Because a modern enterprise application and infrastructure must evolve and adapt to change, a managed services agreement must help the customer organization deal with dynamic situations. Clarke's team focused on how each MSP would handle departures from the norm.

"The fundamental process of MSPs is pretty similar," Clarke said. "Inoapps' standard processes were not much different from DXC, Accenture or others. How an MSP responds to standard tickets might be similar, but when you have something custom, or need to look ahead six weeks—that is where you see the difference."

Interaction with the MSP is crucial for QBE because some of their compute environments are ramped up and down frequently to support fast-moving projects.

"If we think an environment needs to ramp up, we know we can reach out for help and Inoapps will give us the right people to work with our team to scope and shape things," Clarke said. "With a big juggernaut MSP, that is hard to achieve, as is flexible pricing. We appreciate a partner that knows about give and take, who can be that flexible glue in the middle as an independent layer between Oracle and us."

PROJECT MANAGEMENT EFFICIENCY

Inoapps has migrated several of QBE's regional production and testing instances, conducting this work as standalone projects, which requires management of constrained resources against a timeline.

"If you look at the big projects, like migration of our production environments, Inoapps did those in the timeline we agreed," Clarke said. "We were on time and budget with only a couple of change orders and no significant deficiencies. Within each project, quality of the DBAs and the technical people was very strong."

After migration, Inoapps delivered a five-week period of hypercare to help QBE adjust to their new cloud environment and complete any remaining knowledge-transfer before handover to the Inoapps managed services team.

LIFE AFTER GO-LIVE

The most obvious change after moving managed services to Inoapps, according to Clarke, is that "we are saving more than a million dollars per year."

But there are net new benefits apart from lower cost.

"Our IT organization would say that when significant issues arise, responsiveness is no longer a struggle compared to our previous MSP," Clarke said. "And historically, we had month-end issues which are no longer. Overall, resolution comes more easily."

Other improvements are tied more to performance of OCI than Inoapps managed services team, including a 20-40 percent improvement in performance of Oracle EBS queries.

"Certain aspects of one batch were sped up by 50 percent as soon as we moved it to OCI," Clarke said, adding that they expect to see further improvements after the completion of an environment streamlining being undertaken by Inoapps. "We benchmarked select processes and saw significant improvement despite the fact that our database is growing by a couple of terabytes per month."

FUTURE GROWTH

QBE continues to migrate the AO regional instance and environments to OCI with help from Inoapps. QBE has also started work with the Inoapps managed services team to optimize batch processes using Oracle Exadata through Oracle Autonomous Data Warehouse.

"We were with our previous vendor for four years and over that time, nothing changed apart from us having to buy extra storage," Clarke said. "We went live in May 21, and in five months we have done more with Inoapps than we had in the previous four years."

Post migration, Inoapps has recommended additional Oracle Cloud solutions to streamline compliance with security requirements. QBE has taken these recommendations to heart, and Oracle Key Management and Oracle Identity Cloud Service have given their security team comfort that their stringent specifications are being met.

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