

JOHN HANCOCK

Legacy integration services for a new e-procurement software package



Our client

John Hancock Financial Services, publicly traded since 2000, offers insurance, investment products, investment management, and other services. John Hancock also provides retirement savings products -- annuities, mutual funds, and long-term-care insurance. One of the US largest investors (\$97.8 billion in assets) with a global presence, the firm offers institutional asset management services, providing clients with specialty funds.

Objective and issues

The company faced significant challenges in its procurement process. For one, 80% of purchase (in dollars) was spent on services (legal, marketing...), in which case quality metrics were difficult to set and evaluate. The procurement process itself was very slow and error-prone, which meant that agents often had to get involved in individual transactions, inflating procurement costs. Finally, any new software package to improve the situation would need to integrate with the previously deployed online procurement interface to leverage investment and limit the need for training.

What Universal delivered

John Hancock chose an e-procurement platform from iPlanet (now Sun), a Universal partner. To deploy the system and to provide seamless integration with the online procurement interface, Universal provided John Hancock's IT department with two experts totaling years of senior level experience in data integration between different platforms - at a time when such resources were in short supply.

Value to our customer

Those upgrades literally transformed John Hancock's corporate purchasing. End users experienced a speedier procurement process, as they were able to directly place requests using their Web browser. In turn, the purchasing department cut the number of staff affected to transaction from 18 to three, replacing those positions with contract agents that would focus on relationship building and aggressive sourcing.

The system also improved demand management, as it tracked who's buying what and when, and detected any duplication, thus fully utilizing warehouse resources and avoiding unnecessary expenses. All of this helped John Hancock significantly reduce its purchasing costs.

Universal was instrumental to the success of our client by providing the right technical expertise to John Hancock when the company needed it the most. As a result of this, the existing purchasing interface was leveraged through a stable integration.

Objectives

- Reduce costs
- Better control expenses
- Speed up the internal procurement process

Challenges

1. Services represented a large amount of all purchases – quality specifications difficult to set
2. Presence of a legacy interface that would need to be leveraged
3. Important short-term need for experts

Solution

- iPlanet BuyerXpert, (e-procurement)
- Integration services
- Environment: Solaris

Results

- ✓ Users in the company can make requisitions using the existing interface – minimizing cost and training
- ✓ Less staff affected to transactions, freeing up resources for contract negotiation

ROI delivered

- ✓ Transaction staff reduced 600%
- ✓ Full utilization of resources in warehouses (for products)