Askindo’s digital transformation journey to accelerate operations in the digital era by modernizing and simplifying infrastructure in data centers with automation

The customer summary

Customer name
PT Asuransi Kredit Indonesia (Askindo)

Industry
Non-banking financial services (insurance)

Location
Jakarta, Indonesia

Number of employees
1,233 employees in 60 branches and one marketing office
Askindo:

On the road to being a digital champion

PT Asuransi Kredit Indonesia (Askindo) is a state-owned insurance company that was founded in 1971 by the government of the Republic of Indonesia under the Ministry of Finance and Bank Indonesia to empower micro, small, and medium enterprises (MSMEs) in supporting Indonesia’s economic growth. The company exists to provide financial services for improving access to credit sources for entrepreneurs as well as providing support to trade flows in both domestic and foreign markets.

As a company that was first established nearly 50 years ago, Askindo has gone through and survived many changes in Indonesia. In its early days, Askindo provided a bank credit insurance service and has since evolved with additional business in the field of underwriting.

Now the company has reached a new chapter in its digital transformation journey and is on the road to becoming a Digital Champion with an IT masterplan designed for Industry 4.0. This will entail revamping its management system, human resources, operations, customer products and services, and IT infrastructure. It all began in 2019 with the development of the IT application Askindo Connect to improve management and operational performance. Several IT-based developments and investments have been carried out, among others, through the implementation of the Askindo Core System (ACS), Customer Relationship Management (CRM), and Askindo Internal Rating (AIR).

For Askindo, the shift to Industry 4.0 is inevitable, not only to survive but also to thrive and provide its customers with the best digital service experiences.
Challenges:

Catching up with digitalization and accelerating transformation

To embark on its digital transformation journey was undoubtedly a challenge for Askrindo, especially considering its business scale, the number of its employees, and its long-standing reputation.

Some of the challenges Askrindo faced in its digital transformation journey are as follows:

(1) Askrindo was playing catch-up

- As a well-established company with a 50-year-long track record in providing non-banking financial services for business-to-business (B2B) operations, Askrindo was set in its ways of doing business. Unlike banking and other financial services, a fast turnaround of services was not required for its business. Furthermore, there was no need to provide face-to-face meeting arrangements with clients. Thus, technological evolution within the company had not been too significant, especially between 1971 and 2018.

However, market demands for digital services have increased rapidly due to recent evolutions in digital technology. With the world shifting heavily towards digital services, Askrindo was forced to accelerate digital technology adoption. It had to transform itself externally, with its services for customers, as well as internally.

(2) Askrindo faced operational issues with its legacy system

- Askrindo’s legacy system caused operational difficulties, especially regarding services related to the network. Devices connected to the network require manual configuration, which hampered network deployment whenever changes, additional topology, or access were needed. Meanwhile, possible actions to mitigate the situations remained limited, including scripting network rules and regulations—thus, mistakes were prone to happen, with the potential to cause operational issues.

(3) Askrindo needed to upgrade its data center to house its business-critical applications

- One key part of Askrindo’s strategy was an active data center. This is required to ensure high availability and resilience for all of its business-critical applications. Furthermore, Askrindo also needed to improve its Service Level Agreement (SLA), and Cisco could provide solutions to facilitate this.
Solution from Cisco:

Modernizing and simplifying infrastructure in the data center with automation

After assessing Askindo’s objectives, Cisco proposed modernizing its infrastructure to support a more dynamic workload with better control over security and easier operations. However, Askindo had limited technical team resources, which prevented it from performing a quick turnaround for troubleshooting when needed. Furthermore, the team also monitored network and application performances in the silo, which further prolonged downtime troubleshooting, exceeding the SLA committed to its customers and partners.

Other major challenges included failure to meet regulatory compliance due to the absence of synchronization and disaster recovery planning (DRP), which would make it impossible to recover data in the face of unplanned outages or catastrophic interruptions. Testing efforts were also less robust due to non-standard environment and the lack of automation.

To overcome these challenges, Cisco Application Centric Infrastructure (ACI), the industry’s leading software-defined networking solution, was deployed to modernize its data centers and reduce issues related to the New Core Containers Apps. This ensures end-to-end performance visibility for IT teams and facilitates application agility and automation in the Date Center Network operations. Meanwhile, Cisco Hyperflex Edge provides flexible and simple yet highly available infrastructure to run various network services or virtual appliances needed in any new infrastructure.

Furthermore, Cisco also proposed the deployment of ACI Multi-Site Orchestrator (MSO) to support operations or synchronize Data Center (DC) and Data Recovery Center (DRC) operations, as well as scalability.
Why Cisco?

Cisco is well known through its brand reputation and as a leader in the enterprise networking industry.

Cisco is also an established and trusted partner, which brought more certainty and security for the client.

Askrindo has been a Cisco client for a long time and therefore, has become very familiar with the company as well as the quality of services provided.

Cisco understands technology and networking like nobody else. Cisco assisted in the implementation process and developed the roadmap for Askrindo’s digital transformation journey. Based on this roadmap, Cisco assisted Askrindo in designing a long-term solution to expand its future.

Difficulties in implementation:

From topology to knowledge

Askrindo did not have comprehensive documentation or understanding of its existing infrastructure and topology, making it difficult to trace and get clear pictures of the issues. In the end, a vendor managed to assist Askrindo in tracing its topology, including the connection from one point to another.

Next steps for Askrindo

Askrindo aims to continue to thrive and accelerate its digital transformation journey. It expects to fully take advantage of the technology adoption to provide better services for customers and build better relationships with partners.

Outcomes:

What benefits Askrindo gains

Overall, Askrindo had to undergo a complete revamp in regards to technological implementation because its existing infrastructure was not capable of meeting the demands faced when facilitating the company’s digital transformation.

The modernization of its infrastructure, especially in the data center, improved Askrindo’s operations, which resulted in a seamless process. The high availability of the data center would also significantly impact the business by minimizing downtime.

Connectivity setup was also simplified to allow faster acceleration of business innovations. Cisco Software-Defined Networking (SDN) enabled all processes to run faster and provide operational simplicity to the company. As a result, the implementation of the application across every business line has gone faster.

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