

MGIC

Providing mortgage insurance since 1957

OVERVIEW

Mortgage Guaranty Insurance Corporation (MGIC) based in Sydney is the principal subsidiary of MGIC Investment Corporation headquartered in Milwaukee, Wisconsin USA and publicly listed on the NYSE.

MGIC is the nation's largest private mortgage insurer as measured by \$159.5 billion primary insurance in force covering in excess of 1 million mortgages as of March 31, 2013.

MGIC serves lenders throughout Australia, the United States, Puerto Rico, and other locations helping families to achieve homeownership sooner by making affordable low-down-payment mortgages a reality.

MGIC provides a critical component of our residential mortgage finance system, protecting mortgage investors from credit losses.

Diaxon helps optimise MGIC IT transformation strategy in identifying Operations and Capital expenditure savings

The Business Challenge

MGIC were nearing a refresh cycle in elements of their technology that coincided with a juncture point for; modernising their architecture strategy, industry momentum in migrating to cloud computing and a corporate desire to ensure not only cost optimisation - but shorter return on investment cycles and strong enablement to business strategy alignment.

This required analysis of all current MGIC technology infrastructure, plus an overview analysis of likely ongoing technology investment and costs.

Diaxon were the consultancy of choice to provide an initial IT optimisation assessment to identify both Opex and Capex savings likely in the immediate and foreseeable future.

The Diaxon Solution

Diaxon completed an initial high-level assessment of the current MGIC infrastructure and operations which was followed by a detailed deep-dive discovery of key areas identified as either 'pain-points' or areas of lacking detail.

From this initial assessment phase, Diaxon then undertook an optimisation phase appraisal across the environment.

This appraisal was undertaken to identify areas of opportunity for improvement across the operation and architecture. The focus was a cost view and was delivered to the client for inclusion in the creation of the MGIC transformation strategy.

The overall report identified areas for cost reduction, process improvement and enabling the future infrastructure architecture to be leveraged as the operational 'lights out' environment for migration away from Mainframe and Solaris platforms.

Finally the identification of all optimisation options were prioritised for alignment with the MGIC business strategy, risk profile and corporate culture. The report was then prepared and presented for consideration by MGIC management.

The engagement was through a process of workshops in the areas of:

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- **Business Strategy**
- **Architecture**
- **Hardware**
- **Platforms**
- **Data Centre**
- **IT Management**
- **Disaster Recovery**
- **IT Governance**
- **Current financial year capex and opex savings**

The Business Benefits

Diaxion's rigorous review of all IT operations/strategy paid immediate dividends through the avoidance of \$100's of thousands of dollars in capital purchases.

In addition, the implementation of recommendations has set the stage for significant double-digit percentage savings in planned future and permanent expenses.

In summary, MGIC report significant return on investment and savings across both operational and capital expenditure in all identified IT functions.

The Future

Diaxion will continue their engagement with MGIC through carrying out a further and deeper dive analysis into the IT architecture and design to leverage further on the findings and scope of the initial report.

In the meantime Diaxion are providing upskilling and mentoring to MGIC internal in order to maximize implementation of the report.

diaxion 
IT Strategy & Optimisation

The best IT solutions are not about a single approach to a problem but about how a solution complements an entire organisation's strategy.

Diaxion offers IT strategy and optimisation services to support and promote business goals. By integrating IT solutions across business units and building strong IT capability and understanding, organisations are given the best chance of achieving their business targets.

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