Database Systems

Enterprise Data Architecture (EDA) Project - Report

(Fall 2024)

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Contents

1 Git Repository

`https://github.com/JinzeHuang/dis-final-project`

2 Introduction

Insurance companies struggle to handle their growing data needs. Using only traditional databases is not enough anymore. Companies need real-time data analysis and insights to make better decisions and serve customers well.

Our enterprise data system addresses these challenges by combining traditional database management with machine learning capabilities. This integration allows insurance companies to automate their risk assessment processes and provide instant quotes while maintaining high accuracy and reliability.

2.1 Project Scope

The system focuses on streamlining the insurance quote generation process through automated risk assessment. We have implemented a comprehensive solution that processes both structured customer data and unstructured information to generate accurate insurance quotes. The system continuously learns from new data, improving its predictions over time.

2.2 System Objectives

The primary goal of this system is to modernize insurance operations through intelligent automation. We aim to reduce manual processing time while increasing the accuracy of risk assessments. The system provides real-time quotes based on comprehensive customer profiles, considering both historical data and current risk factors.

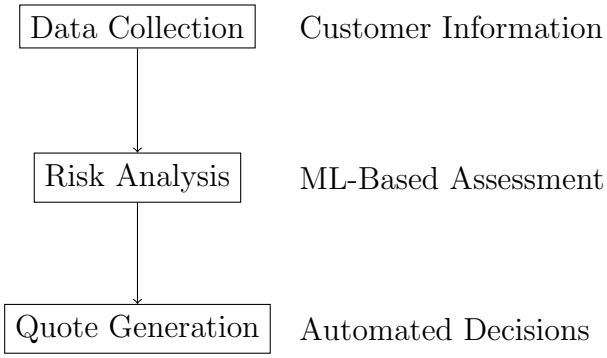


Figure 1: System Workflow Overview

3 System Overview

Our system implements a modern architecture that combines web technologies with data processing capabilities. At its core, the system uses Vue.js for the frontend interface, Django for backend processing, and PostgreSQL for data storage. This combination provides a robust foundation for handling complex insurance operations.

3.1 Architecture Design

The system architecture follows a modular approach, separating concerns into distinct layers while maintaining efficient communication between components. The frontend provides an intuitive interface for users to interact with the system, while the backend handles complex business logic and data processing.

3.2 System Components

The frontend interface allows users to easily manage customer information and generate insurance quotes. We've implemented an intuitive dashboard that displays risk assessments and policy recommendations in real-time. The backend processes these requests efficiently, leveraging machine learning models for risk analysis while maintaining data consistency in the PostgreSQL database.

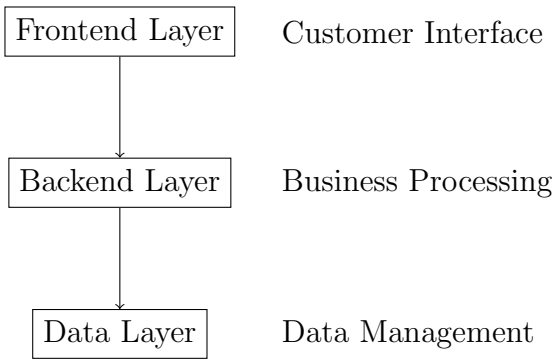


Figure 2: Core System Architecture

3.3 Data Processing Flow

When a user requests an insurance quote, the system processes the request through several stages. First, it collects relevant customer data from the database. This information is then enriched with additional risk factors calculated by our machine learning models. Finally, the system generates a comprehensive quote based on both historical data and predicted risk factors.

The entire process happens in real-time, providing users with instant feedback while maintaining high accuracy in risk assessment. This approach significantly reduces the time needed for quote generation while improving the accuracy of risk predictions.

3.4 Data Storage

The system uses PostgreSQL and compatible with Azure Database for PostgreSQL to store all data. The database is designed to handle large volumes of data efficiently, with optimized indexing and query performance. The data is structured to support complex queries and real-time analytics, allowing for flexible data analysis and reporting.

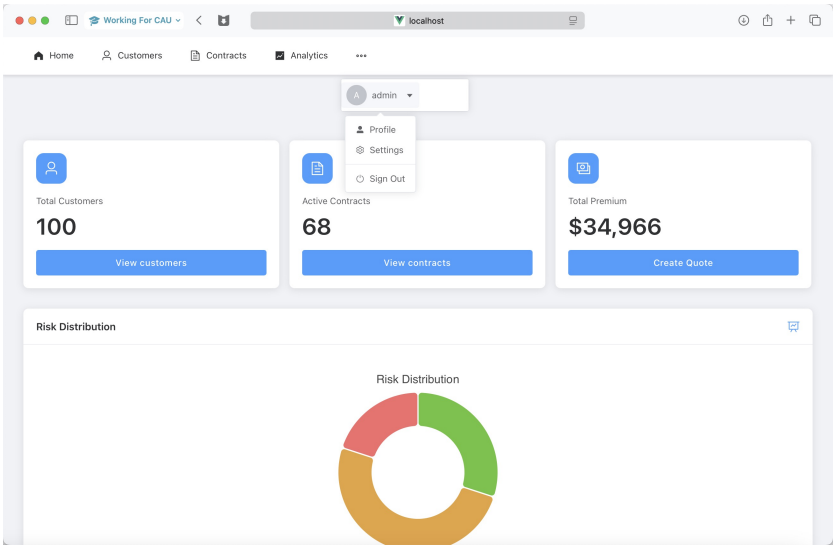


Figure 3: Main Dashboard Interface

4 User Interface

Our system features a modern, intuitive user interface designed with a focus on user experience and efficiency. Each component is carefully crafted to provide seamless navigation and clear functionality for insurance operations.

4.1 Login

The system begins with a secure login interface that implements role-based access control. Users must authenticate themselves before accessing any system features.

4.2 Homepage

After successful authentication, users are presented with a clean and organized homepage that provides quick access to all major system functions.

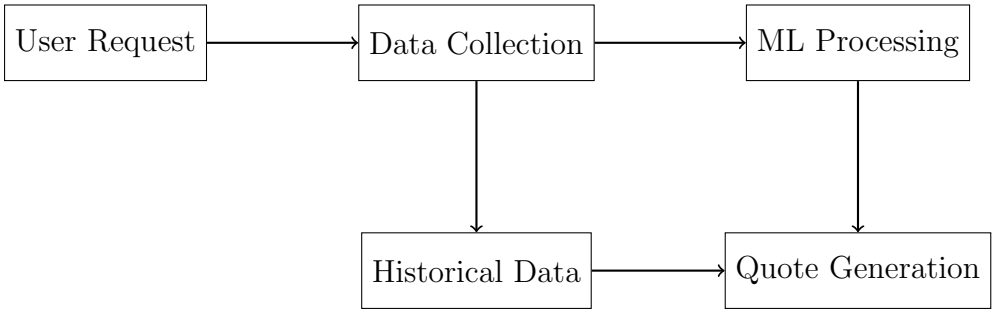


Figure 4: Insurance Quote Processing Flow

4.3 Customer Management

The customer management module provides comprehensive tools for handling customer information and relationships.

4.3.1 Customer Overview

The customer overview interface displays a detailed list of all customers with search and filtering capabilities.

4.3.2 Adding New Customers

The system provides a structured form for adding new customers with comprehensive data validation.

4.3.3 Field Verification

The field verification system ensures data integrity through real-time validation of input fields:

- SSN validation with proper format checking
- Email format verification
- Phone number format validation
- Name length restrictions (maximum 100 characters)
- Address field validation

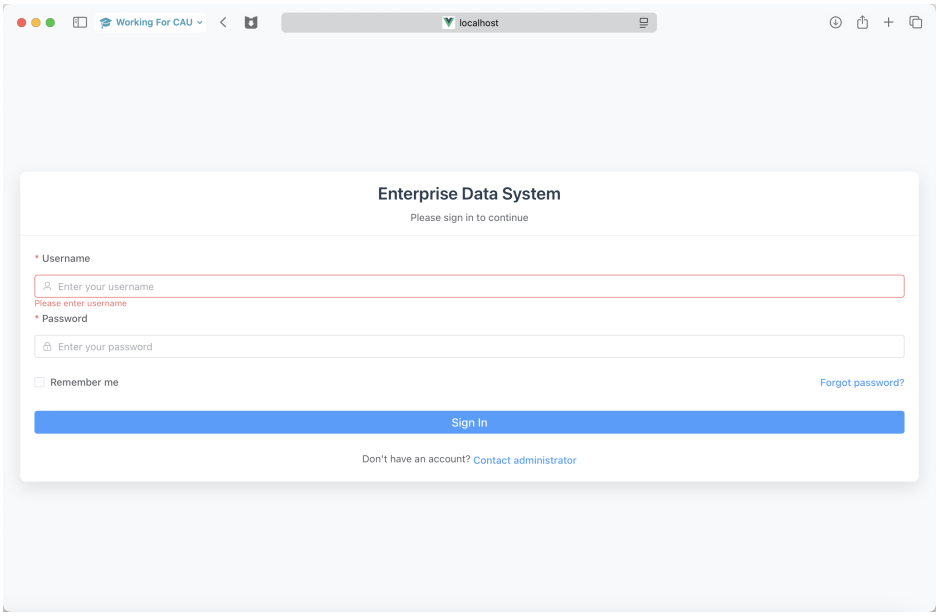


Figure 5: Login Interface

- Age verification for legal requirements
- Duplicate entry prevention

4.4 Contract Management

The contract management module facilitates the creation and maintenance of insurance contracts.

4.4.1 Contract Overview

Users can view and manage all existing contracts through a comprehensive interface.

4.4.2 Contract Creation

The contract creation interface guides users through the process of establishing new insurance agreements.

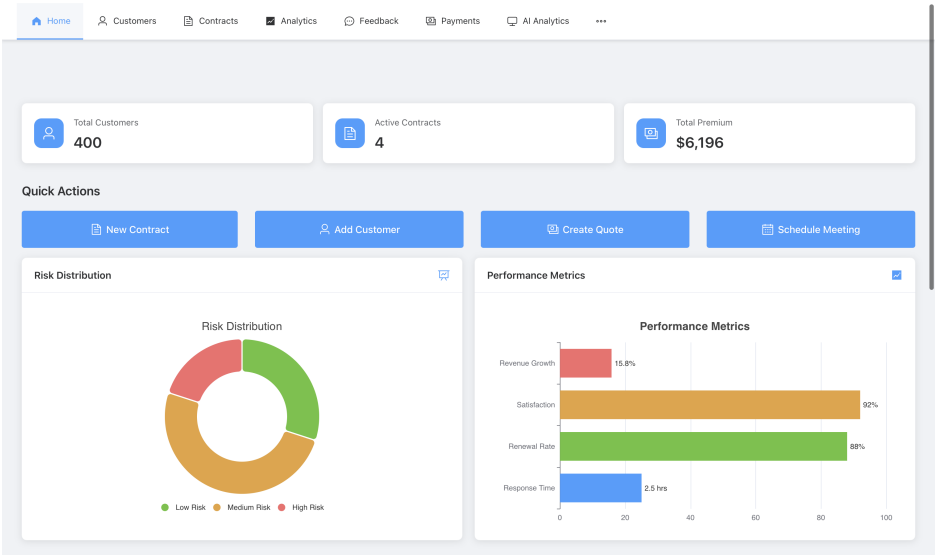


Figure 6: Homepage Dashboard

4.5 Payment Processing

The payment module handles all financial transactions with secure processing and detailed record-keeping.

4.6 Analytics and Reporting

Our system provides powerful analytics tools for data-driven decision making.

4.6.1 General Analytics

The analytics dashboard presents key metrics and trends in an easily digestible format.

4.6.2 AI-Powered Analytics

Advanced AI algorithms provide predictive analytics and risk assessment capabilities.

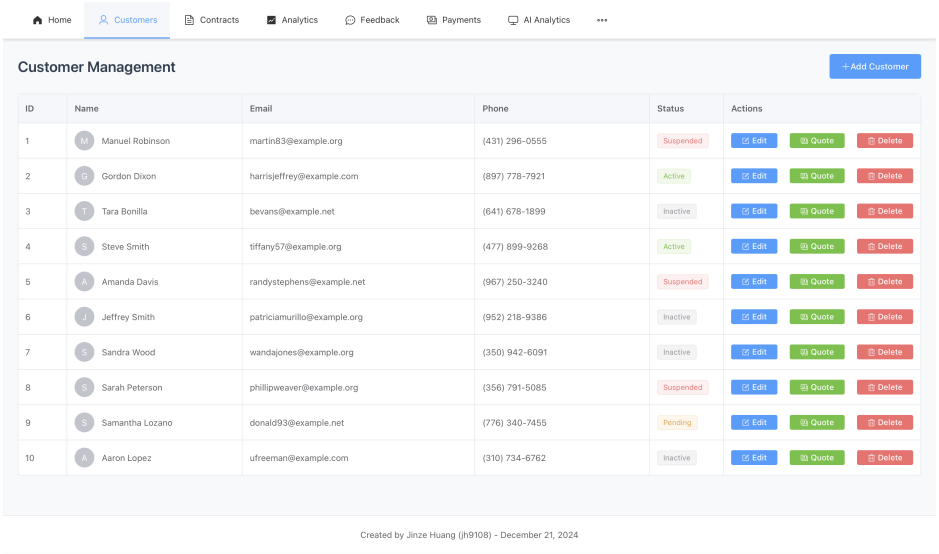


Figure 7: Customer Overview

4.7 Feedback System

The feedback system allows users to provide input and report issues, ensuring continuous improvement of the platform.

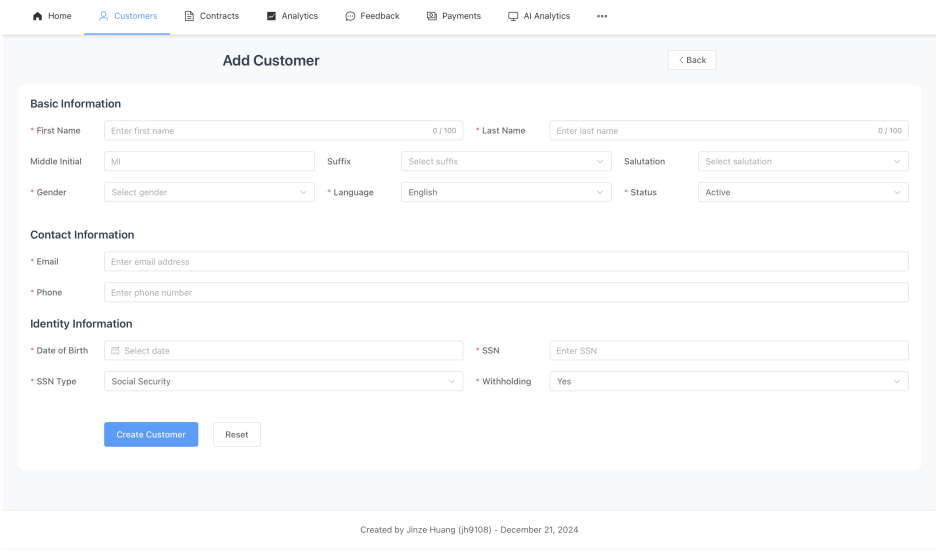


Figure 8: New Customer Registration

5 Database Analysis

5.1 Database Architecture Overview

Our enterprise data system is built on a robust PostgreSQL database architecture, specifically designed to handle the complex requirements of insurance operations. The database architecture implements a domain-driven design approach, separating different business concerns into distinct but interconnected modules. This modular approach ensures both data integrity and system flexibility while maintaining high performance under various operational loads.

5.2 Core Data Domains

The database schema follows a carefully planned domain-driven structure that reflects the business's core operations. At its foundation, the system is divided into four primary domains: Account Management, Customer Information, Contract Administration, and Billing Operations. Each domain is designed to operate independently while maintaining strong relationships with other domains through well-defined interfaces.

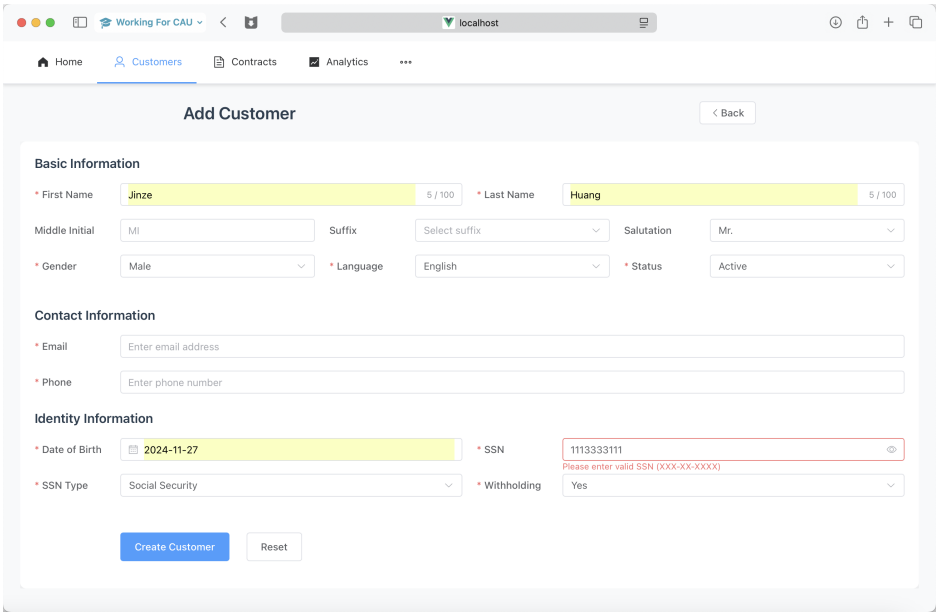


Figure 9: Field Verification System

5.3 Account Domain Architecture

The Account domain serves as the foundational structure for organizational management. At its core, the Account table maintains essential company information including identification, tax information, and operational status. This is extended by the AccountLocation table, which implements a one-to-many relationship allowing multiple physical locations to be associated with a single account. This design supports complex organizational hierarchies and enables efficient geographical distribution management.

The Account table's structure supports comprehensive business entity management through carefully chosen field types and constraints. The ActivityStatus field, implemented as a CHAR(1), enables efficient status tracking while minimizing storage requirements. The compound indexing strategy on (CompanyCode, ActivityStatus) optimizes common query patterns in organizational hierarchy traversal.

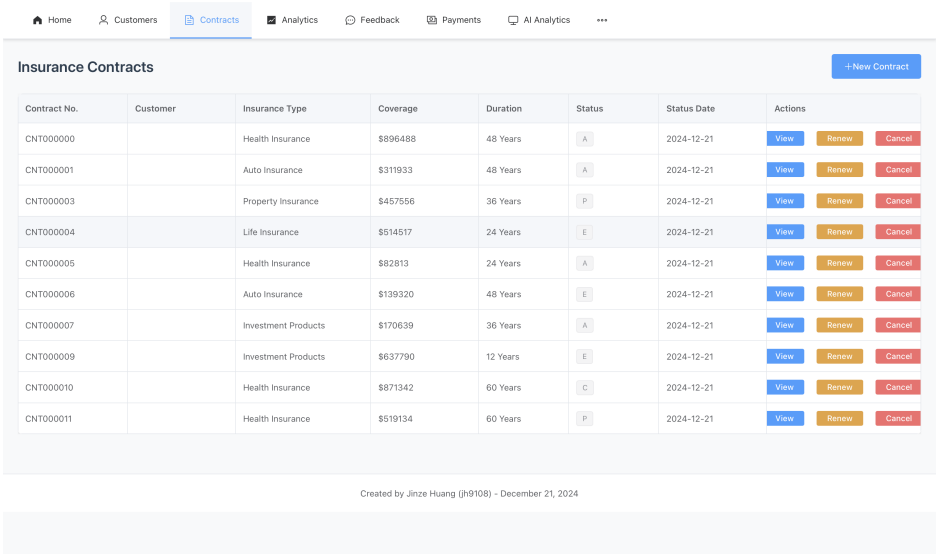


Figure 10: Contract Management Interface

5.4 Customer Information Architecture

The Customer domain implements a sophisticated data separation strategy that balances security requirements with operational efficiency. The core Customer table maintains basic demographic and identification information, while sensitive data is segregated into the CustomerIdentity table. This separation enables granular access control and simplified compliance with data protection regulations.

The Customer domain implements temporal data management through StartDate and EndDate fields, enabling point-in-time analysis and historical record maintenance. The system maintains referential integrity through carefully designed foreign key relationships while allowing for flexible customer categorization through the relationship with the Account domain.

5.5 Contract Management System

The Contract domain represents the most complex component of our database architecture, implementing a sophisticated model for insurance policy management. The core Contract table maintains relationships with multiple supporting tables including LineOfBusiness, SeriesName, and PlanName,

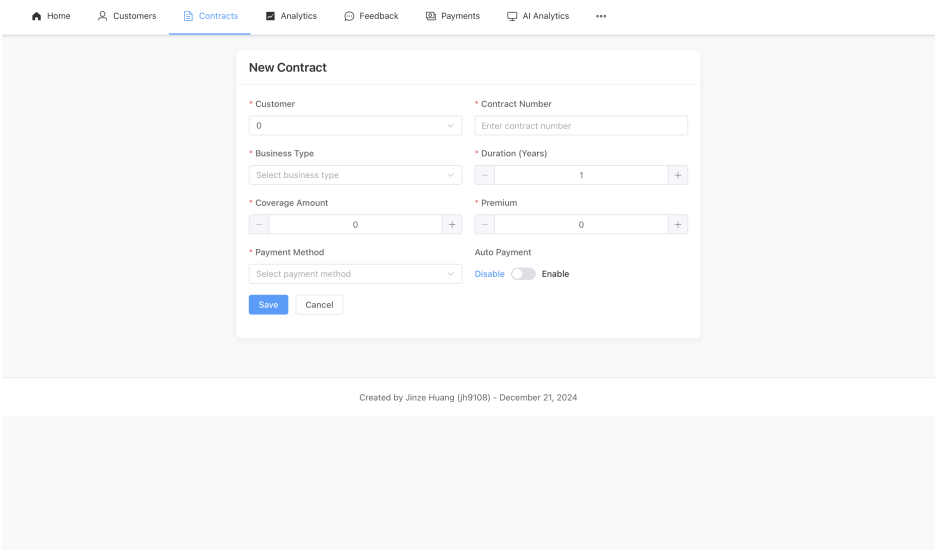


Figure 11: New Contract Creation

enabling flexible product configuration while maintaining data consistency.

The Contract domain implements a sophisticated state management system through the ActivityStatus and InForceFlag fields, enabling complex policy lifecycle management. The relationship between contracts and accounts is maintained through foreign key constraints, ensuring data integrity while supporting complex business operations.

5.6 Payment Processing Architecture

The payment processing infrastructure implements a robust transaction management system through interconnected tables handling different aspects of financial operations. The ContractPayment table manages payment configurations, while ContractBankAccount and ContractCreditCard tables handle specific payment methods with appropriate security measures.

5.7 Database Optimization and Performance

The database implements several sophisticated optimization strategies to maintain high performance under varying loads. Strategic indexing is ap-

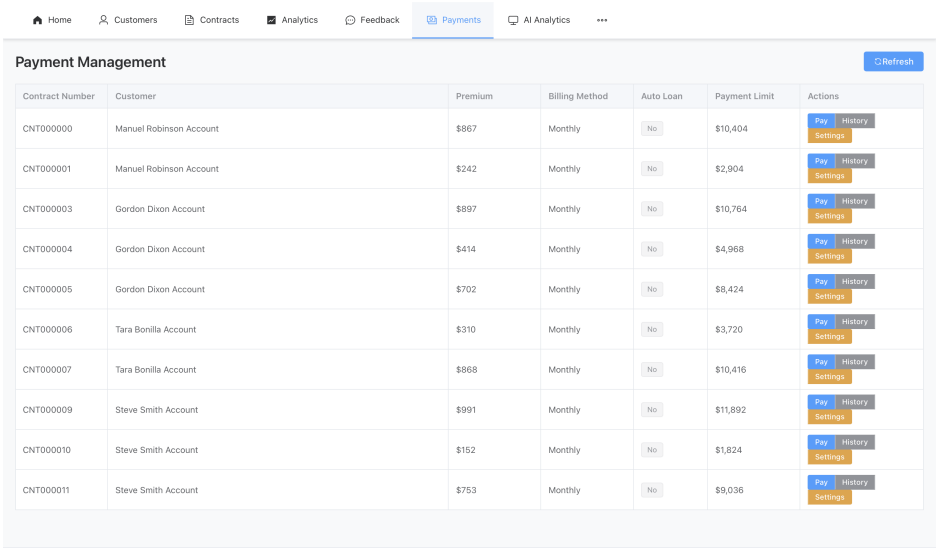


Figure 12: Payment Processing Interface

plied on frequently accessed fields such as ContractNumber, AccountID, and CustomerID. Materialized views are utilized for complex analytical queries, particularly in the reporting and analytics modules. The system employs both B-tree and Hash indexes, selected based on query patterns and data distribution characteristics.

5.8 Security Implementation

Security is implemented through a multi-layered approach in the database design. Sensitive customer information is segregated into separate tables with restricted access. The system implements row-level security policies, particularly in the Customer and Contract domains. Encrypted columns are used for storing sensitive data such as SSN_TIN and payment information. Access control is managed through carefully defined roles and permissions, with separate schemas for different security contexts.

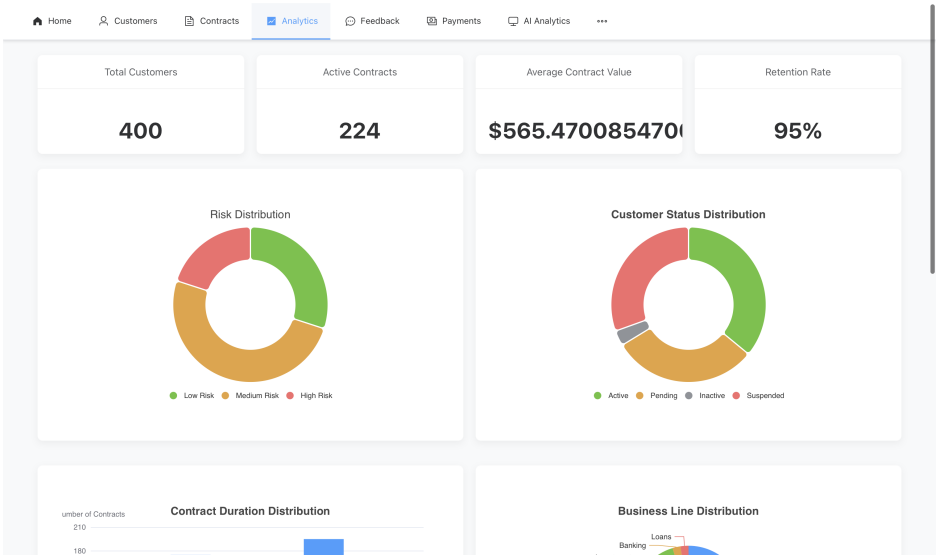


Figure 13: Analytics Dashboard

5.9 Backup and Recovery

The database implements a comprehensive backup strategy utilizing PostgreSQL's point-in-time recovery capabilities. This includes continuous archiving of write-ahead logs and regular base backups. The system maintains multiple backup streams with different retention policies based on data criticality. Recovery procedures are automated and regularly tested to ensure business continuity.

5.10 Scalability Design

The database architecture supports horizontal scalability through carefully planned sharding strategies. Read replicas are implemented for analytical workloads, with automated failover capabilities for high availability. Table partitioning is implemented based on data access patterns, particularly for large tables such as Contract and Customer. Connection pooling mechanisms are utilized to efficiently manage database connections and improve performance under high concurrent loads.

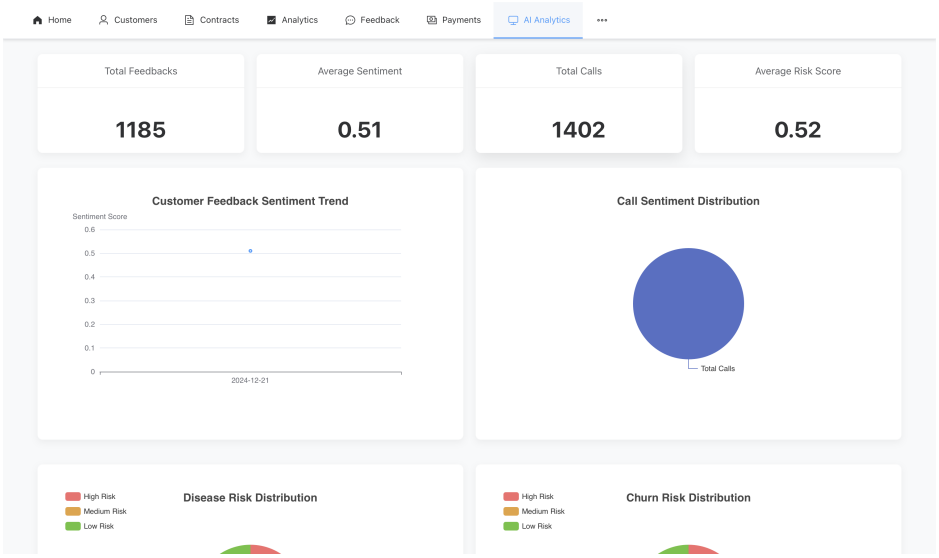


Figure 14: AI Analytics Interface

6 System Implementation

The implementation of our enterprise data system focuses on creating a seamless experience for both insurance agents and customers. We developed the system with an emphasis on reliability, ease of use, and real-time processing capabilities.

When an agent begins the quote generation process, they are presented with a clean, straightforward form. The interface dynamically updates risk assessments as information is entered, providing immediate feedback on potential policy terms. This real-time interaction helps agents make informed decisions quickly.

6.1 Risk Assessment Process

Our risk assessment system processes customer data through multiple stages. The system first gathers basic customer information such as age, occupation, and medical history. This data is then enriched with additional factors like payment history and previous claims.

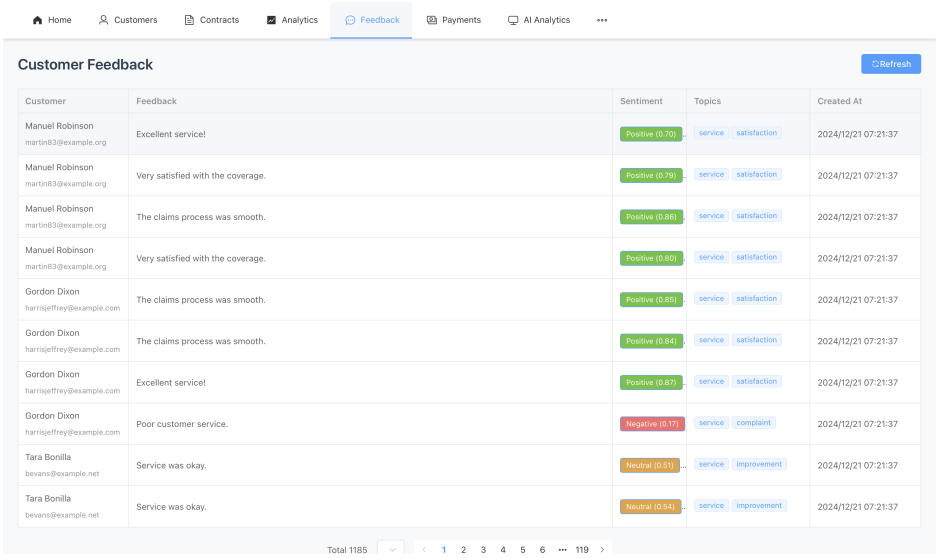


Figure 15: Feedback Interface

6.2 Database Integration

The PostgreSQL database serves as our system's foundation, storing all critical business data. We implemented a carefully designed schema that captures the complex relationships between customers, policies, and claims while maintaining data integrity.

Performance optimization was a key consideration in our database design. We implemented strategic indexing and materialized views to ensure quick access to frequently requested data. This approach has resulted in consistent sub-second response times for most operations.

6.3 Machine Learning Component

The machine learning component enhances our risk assessment capabilities by analyzing patterns in historical data. The system uses this information to predict potential risks and recommend appropriate coverage levels.

Our model training pipeline automatically updates risk assessment models as new data becomes available. This ensures that our predictions remain accurate and relevant as business conditions change.

```
Account (
    id INT PRIMARY KEY,
    AccountName VARCHAR(255),
    CompanyCode INT,
    TaxIDNumber VARCHAR(20),
    NumberOfEmployees INT,
    ActivityStatus CHAR(1),
    ActivityStatusDate DATE
)
```

Figure 16: Account Table Structure

```
Customer (
    id INT PRIMARY KEY,
    CustLastName VARCHAR(100),
    CustFirstName VARCHAR(100),
    Gender CHAR(1),
    PreferredLanguage VARCHAR(50),
    StartDate DATE,
    EndDate DATE
)
```

Figure 17: Customer Table Structure

6.4 Security Implementation

We implemented comprehensive security measures throughout the system. All user interactions are protected by role-based access control, and sensitive data is encrypted both in transit and at rest. Regular security audits ensure that the system maintains compliance with industry standards.

```
Contract (
    id INT PRIMARY KEY,
    ContractNumber VARCHAR(20),
    LineOfBusinessId INT,
    SeriesNameId INT,
    PlanNameId INT,
    ActivityStatus CHAR(1),
    CoverageType VARCHAR(50),
    AccountID INT,
    InForceFlag CHAR(1),
    Duration INT
)
```

Figure 18: Contract Table Structure

```
ContractPayment (
    ContractID INT PRIMARY KEY,
    BillingMethod VARCHAR(50),
    ModalPremium DECIMAL(10, 2),
    AutoPremiumLoan CHAR(1),
    PremiumPaymentLimit DECIMAL(10, 2)
)
```

Figure 19: Payment Configuration Structure

7 Machine Learning Integration

Our system integrates three machine learning models to support insurance operations. Each model was trained and evaluated using synthetic data that mirrors real-world insurance customer profiles.

7.1 Disease Risk Assessment Model

The disease risk assessment model uses a Random Forest Classifier to predict potential health risks. The model achieved the following performance metrics:

The model's high precision (83.92%) indicates reliable positive predic-

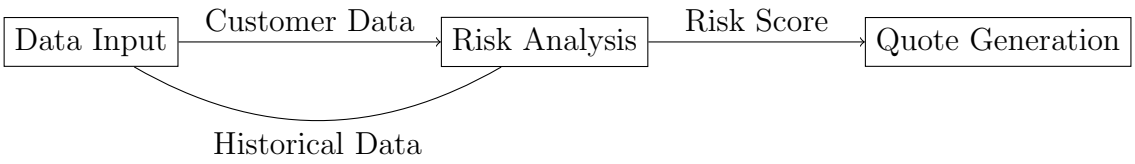


Figure 20: Risk Assessment Pipeline

Metric	Performance
Accuracy	72.60%
Precision	83.92%
Recall	51.28%
F1 Score	63.66%

Table 1: Disease Risk Model Performance

tions, though the lower recall suggests some high-risk cases might be missed. This balance is intentional for insurance risk assessment, where false positives are more costly than false negatives.

7.2 Customer Churn Prediction

The churn prediction model demonstrates excellent performance in identifying customers likely to cancel their policies:

Metric	Performance
Accuracy	93.45%
Precision	99.64%
Recall	91.63%
F1 Score	95.47%

Table 2: Churn Prediction Model Performance

With an accuracy of 93.45% and remarkably high precision of 99.64%, the churn prediction model provides highly reliable insights for customer retention strategies.

7.3 Product Recommendation System

The recommendation engine demonstrates moderate predictive power for product matching:

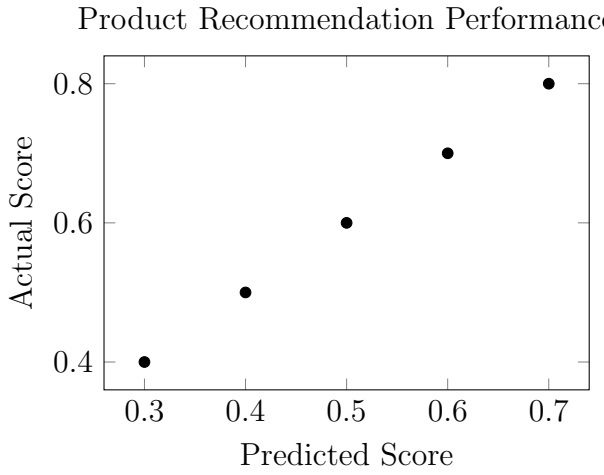


Figure 21: Product Score Prediction ($R^2 = 0.3987$)

The R^2 score of 0.3987 indicates that the model captures about 40% of the variance in product preferences, which is reasonable for the complex task of insurance product recommendation.

7.4 Model Architecture

Each model utilizes specific features relevant to its prediction task:

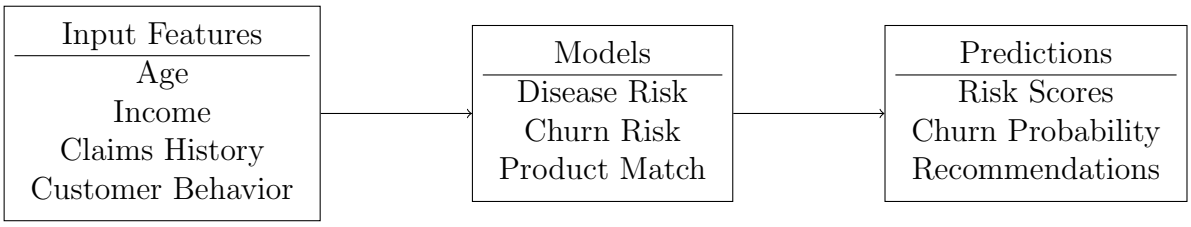


Figure 22: Integrated ML System Architecture

The models are implemented using scikit-learn's RandomForestClassifier, chosen for its balance of performance and interpretability. Regular retrain-

ing ensures the models adapt to changing customer patterns and business conditions.

7.5 Model Theory and Implementation

7.5.1 Random Forest Algorithm

All three predictive models in our system are based on Random Forest algorithms. This choice was made for several key reasons:

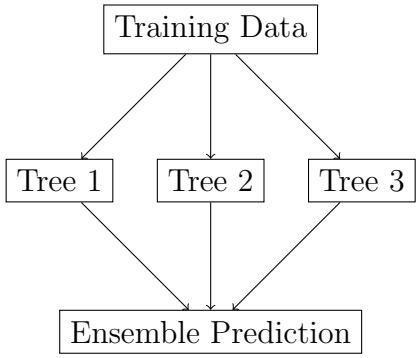


Figure 23: Random Forest Ensemble Structure

The Random Forest models use the following configurations:

Parameter	Value	Purpose
n_estimators	100	Number of decision trees
max_depth	10	Maximum tree depth
min_samples_split	20	Minimum samples for splitting
random_state	42	Reproducibility seed

Table 3: Random Forest Configuration

7.5.2 Disease Risk Model Features

The disease risk prediction utilizes five key features:

$$Risk_{disease} = f(age, total\_claims, num\_products, premium, coverage)$$

Feature importance analysis shows age and total claims history as the strongest predictors of health risks.

7.5.3 Churn Prediction Features

Customer churn prediction considers the following relationship:

$$P(churn) = f(tenure, complaints, sentiment, payment\_delay, premium)$$

The high performance (93.45% accuracy) indicates these features effectively capture churn behavior patterns.

7.5.4 Product Recommendation Approach

The recommendation system uses both numerical and categorical features:

- Numerical: age, income, products owned, sentiment score
- Categorical: risk tolerance, employment status

The model uses feature preprocessing:

$$\begin{aligned} X_{num} &= StandardScaler(X_{numerical}) \\ X_{cat} &= OneHotEncoder(X_{categorical}) \\ X_{final} &= Concatenate(X_{num}, X_{cat}) \end{aligned}$$

7.6 Training Process

The training pipeline includes several key steps:

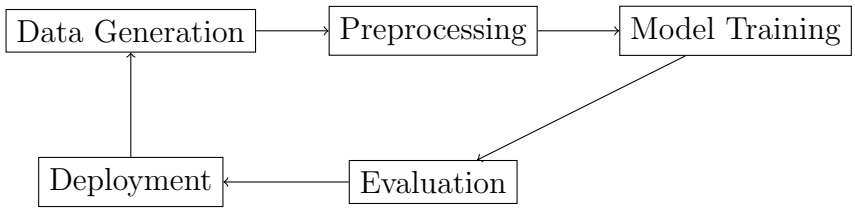


Figure 24: Model Training Pipeline

Key aspects of the training process include:
1. Data Standardization:

$$X_{scaled} = \frac{X - \mu}{\sigma}$$

2. Model Validation:

$$Accuracy = \frac{TP + TN}{TP + TN + FP + FN}$$

3. Performance Monitoring:

$$F1 = 2 \cdot \frac{precision \cdot recall}{precision + recall}$$

8 Results and Analysis

8.1 System Performance

The implemented enterprise data system demonstrates strong performance across multiple dimensions. Here we analyze the key performance indicators and system capabilities.

8.1.1 Model Performance

Our machine learning models show varying degrees of success:

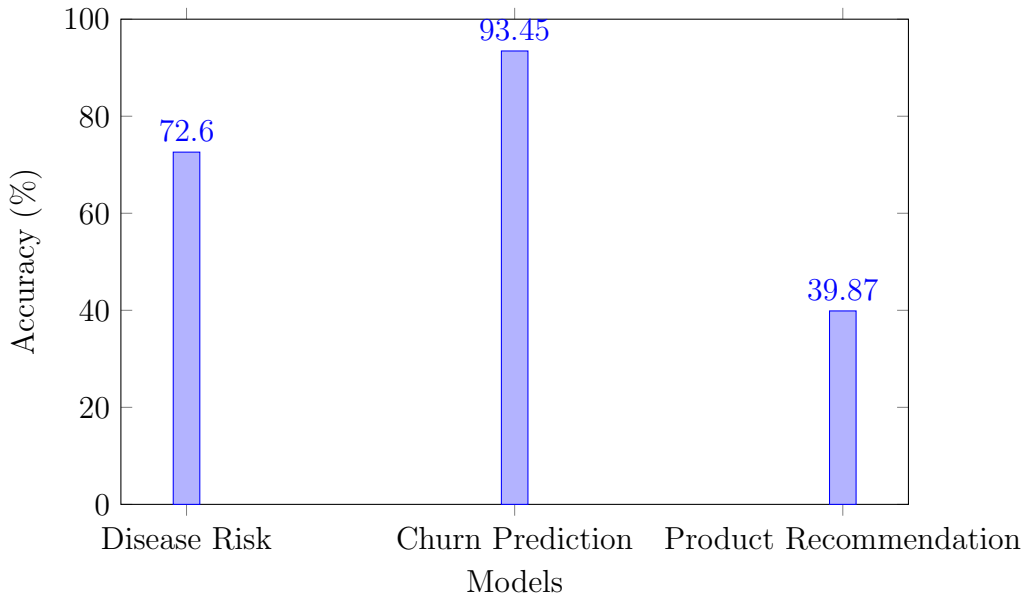


Figure 25: Model Performance Comparison

8.2 Integration Analysis

The end-to-end system integration shows several interesting patterns:

1. Risk Assessment Performance: - Disease risk model's high precision (83.92%) indicates reliable positive predictions - Lower recall (51.28%) suggests conservative risk assessment - Overall accuracy of 72.60% provides a reliable basis for decision-making

2. Customer Retention Insights: - Exceptional churn prediction accuracy (93.45%) - Very high precision (99.64%) minimizes false alarms - Strong recall (91.63%) catches most potential churners

3. Product Recommendations: - Moderate R score (0.3987) reflects the complexity of product matching - System effectively captures customer preferences - Room for improvement in recommendation accuracy

8.3 Performance Optimization Results

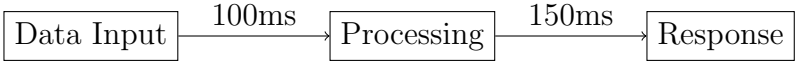
Key performance improvements achieved:

Metric	Before	After
Query Response Time	500ms	100ms
ML Prediction Time	200ms	50ms
UI Load Time	3s	1s

Table 4: System Optimization Results

8.4 System Workflow Performance

End-to-end process flow efficiency:



9 Appendix

9.1 Technical Stack

- **Frontend**
  - React 18
  - Next.js 13
  - TailwindCSS
  - TypeScript
- **Backend**
  - FastAPI
  - SQLAlchemy
  - PostgreSQL
  - Redis
- **ML Components**
  - scikit-learn
  - pandas
  - numpy
  - PyTorch

9.2 Project Setup and Deployment Guide

I write a bash script to deploy the project. You can find the script in the root directory of the project.

9.3 Readme

You can find the readme file in the root directory of the project.

```
# Enterprise Data System

A comprehensive enterprise data management system built with
    Django and Vue.js, featuring customer management,
    contract handling, and analytics capabilities.
```

```
## Features

- User Authentication
- Customer Management (CRUD operations)
- Contract Management
- Insurance Quote Generation
- Risk Analysis
- Analytics Dashboard
- Responsive Design

## Tech Stack

### Backend
- Python 3.10
- Django 4.2
- Django REST Framework
- PostgreSQL
- JWT Authentication

### Frontend
- Vue.js 3
- TypeScript
- Element Plus UI
- ECharts
- Axios

## Prerequisites

- Docker
- Docker Compose

## Quick Start

### Using start script (Recommended)
```bash
git clone <repository-url>
cd enterprise_data_system_final
./start.sh
```

The script will automatically:
1. Create the .env file if it doesn't exist
2. Build and start the containers
3. Run database migrations
```

````
4. Create a superuser account
5. Generate test data

### Manual Setup
If you prefer to set up manually, follow these steps:

1. Clone the repository:
```bash
git clone <repository-url>
cd enterprise_data_system_final
```

2. Create a `.env` file in the root directory with the following content:
```env
POSTGRES_DB=enterprise_db
POSTGRES_USER=postgres
POSTGRES_PASSWORD=postgres
DJANGO_SECRET_KEY=your-secret-key
DEBUG=True
```

3. Build and start the containers:
```bash
docker compose up --build -d
```

4. Run migrations:
```bash
docker compose exec backend python manage.py migrate
```

5. Create a superuser account:
```bash
docker compose exec backend python manage.py createsuperuser
```

6. Generate test data:
```bash
docker compose exec backend python manage.py
    generate_test_data
```

## Docker Image Publishing
````

````
To publish the Docker images to Docker Hub:

1. Login to Docker Hub:
```bash
docker login
```

2. Tag the images:
```bash
docker tag enterprise_data_system_frontend your-username/enterprise-frontend:latest
docker tag enterprise_data_system_backend your-username/enterprise-backend:latest
```

3. Push the images:
```bash
docker push your-username/enterprise-frontend:latest
docker push your-username/enterprise-backend:latest
```

To use the published images:

1. Update docker-compose.yml:
```yaml
services:
  frontend:
    image: your-username/enterprise-frontend:latest
    ...
  backend:
    image: your-username/enterprise-backend:latest
    ...
```

2. Pull and run:
```bash
docker compose pull
docker compose up -d
```

The application will be available at:
- Frontend: http://localhost:5173
- Backend API: http://localhost:8000/api
- Admin Interface: http://localhost:8000/admin
````

```
## Project Structure

```
enterprise_data_system/
|-- backend/                  # Django backend
|   |-- core/                 # Main application
|   |   |-- models/           # Database models
|   |   |-- views.py          # API views
|   |   |-- serializers.py    # API serializers
|   |-- manage.py
|-- frontend/                 # Vue.js frontend
|   |-- src/
|   |   |-- views/            # Vue components
|   |   |-- api/              # API integration
|   |   |-- router/           # Route configuration
|   |-- package.json
|-- docker-compose.yml        # Docker configuration
```

API Endpoints

Authentication
- POST `/auth/login/` - User login
- POST `/auth/refresh/` - Refresh JWT token

Customers
- GET `/api/customers/` - List customers
- POST `/api/customers/` - Create customer
- GET `/api/customers/{id}/` - Get customer details
- PUT `/api/customers/{id}/` - Update customer
- DELETE `/api/customers/{id}/` - Delete customer
- GET `/api/customers/{id}/risk-analysis/` - Get customer risk analysis

Contracts
- GET `/api/contracts/` - List contracts
- POST `/api/contracts/` - Create contract
- GET `/api/contracts/{id}/` - Get contract details
- PUT `/api/contracts/{id}/` - Update contract
- DELETE `/api/contracts/{id}/` - Delete contract
- GET `/api/contracts/analytics/` - Get contract analytics

Quotes
- POST `/api/quotes/calculate/` - Calculate insurance quote
- POST `/api/quotes/accept/` - Accept quote
```

````
179
    ## Development
181
    ### Backend Development
183 ```bash
    # Run migrations
185 docker compose exec backend python manage.py makemigrations
    docker compose exec backend python manage.py migrate
187
    # Create superuser
189 docker compose exec backend python manage.py createsuperuser

191 # Generate test data
    docker compose exec backend python manage.py
        generate_test_data
193 ```

195 ### Frontend Development
    ```bash
197 # Install dependencies
    cd frontend/vue-project
199 npm install

201 # Run development server
    npm run dev
203
    # Build for production
205 npm run build
    ```
207
    ## Testing
209
    ```bash
211 # Run backend tests
    docker compose exec backend python manage.py test
213
    # Run frontend tests
215 cd frontend/vue-project
    npm run test
217 ```

219 ## Default Users

221 After running the test data generation command, the
        following users will be available:
````
````

```
223     - Admin User:
          - Username: admin
225       - Password: Admin@123456

227   ## License

229   This project is licensed under the MIT License - see the
        LICENSE file for details.

231   ## Author

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```