Insurers increasingly rely on advanced and fully featured technology platforms, like Guidewire’s, to support critical operations in policy administration, billing and claims. In fact, the effective use of technology is increasingly synonymous with leading-edge performance in the industry. That’s why upgrades of such core systems can no longer be an afterthought. In fact, those firms that complete successful upgrades – based on a holistic approach and proven accelerators – are more likely to maximize returns on technology investments and gain competitive advantage.

Plus, with upgrades required for every three releases and each version delivering increasingly powerful capabilities, every upgrade offers the opportunity for insurers to expand their capabilities and leverage the latest features. With the pending release of InsuranceSuite 9.0, the right approach to and optimal timing of upgrades has become a top agenda item for both business and IT leaders across the insurance industry.

In other words, for insurers seeking to optimize their technology ROI, the focus should not be on deciding whether or if to upgrade, but rather on defining an appropriate path and recognizing the right time.
EY's approach: maximizing the value of Guidewire upgrades

EY’s approach to Guidewire upgrades is designed to help insurers maximize the full value of their investments in Guidewire’s technologies, including InsuranceSuite, PolicyCenter, BillingCenter, ClaimCenter, ContactCenter, Portals, DataHub and InfoCenter. Our services have been developed and refined based on our vast experience in reducing the cost, risk and timelines required for successful Guidewire upgrades. Our team focuses on both the strategic goals of delivering business value and the many tactical details necessary for smooth upgrades.

Specifically, EY’s skilled and experienced insurance and technology specialists help insurers build the business case based on:

- Increased processing capability and throughput in claims management and policy administration based on automated data gathering, improved integration architecture, better workflow management and rules-based decision-making
- Reduced claims settling and policy administration costs
- More responsive service to policyholders based on better data access
- Improved visibility into key operational metrics and stronger reporting capabilities
- Increased ability to leverage advanced capabilities for digital self-service channels and more consistent customer experiences
- Lower long-term costs for systems maintenance based on new features, reverting to out-of-box functionality and reduced complexity in IT environments

Beyond framing the value proposition, our proven upgrade approach helps speed the realization of these benefits.
A flexible, proven and results-driven upgrade approach

EY’s approach to Guidewire upgrades is based on our deep knowledge of the insurance business and extensive technical experience with the entire Guidewire platform. Based on the lessons learned from more than 90 successful implementations and upgrades, our specialists know how to:

- Evaluate the options to select the right upgrade version for those upgrading multiple versions (e.g., Version 4.1 to 8.0) and optimal timing for the upgrade
- Assess upgrade readiness as it pertains to infrastructure, the organization’s IT strategy, the stability of the Guidewire application(s) and staffing
- Minimize risky customizations and stay close to out-of-the-box capabilities
- Avoid common pitfalls and hidden threats to successful upgrades – especially those relating to data preparation, insufficient testing and defect prevention
- Re-use as much as existing code as possible to promote efficiency and cost effectiveness
- Leverage a mix of local and offshore resources to boost productivity, shorten timelines and offer on-demand technical capacity, while still fulfilling business and technical requirements
- Devise cost-effective sourcing models to support upgrade projects and ongoing application maintenance

Our inception and planning phases focus on a deep understanding of the application currently in place to determine the most beneficial upgrade version. Featuring collaborative workshops, extensive processing modeling and functionality road-mapping, this planning phase can be complex, but lays the groundwork for successful upgrades by:

- Clearly defining project scope (lowering the risk of scope creep) and confirming that both business and technical requirements are complete
- Defining viable performance targets, architectural models and design standards for the post-upgrade environment
- Identifying potential issues and challenges related to data conversions, infrastructure, new business processes and other factors
- Reducing the risk of unexpected re-work or other unpleasant surprises after the project is launched
- Preventing project delays
- Providing the right resources at the right time
- Confirming deployment readiness of the upgraded application
Accelerating value and reducing risk

EY has developed a full set of accelerators based on our long and successful track record with Guidewire implementations and upgrades. These assets are designed to reduce risk, streamline implementations and avoid common upgrade risks. Our templates and process models span critical areas and activities, including:

- Conformance management: evaluation of configuration to out-of-the-box processes – a key consideration for all upgrades
- Integration: reference solution architectures and development tools
- Infrastructure: sizing estimation tools for hardware and storage
- Testing/software quality assurance: frameworks for unit testing, system integration testing, user acceptance testing, test automation and performance testing
- Data: tools and schemas to fix and prepare data for the upgrade, as well as staging and mapping to support migration; extract, transform and load (ETL) upgrade gap analysis and reconciliation; and financial reconciliation testing framework
- Reporting: integration maps to enterprise data warehouses and BI tools and reporting templates
- Change management and training: knowledge transfer, documentation, training and communications
The planning and deployment phases of our upgrade approach are designed to address:

- **Infrastructure:** defining the necessary adjustments, changes and upgrades to operating system, web server, database, memory, CPU and hardware; determining the supporting environments required for the upgrade

- **Configuration:** resolving configuration conflicts, merging configuration, and updating deprecated Gosu methods and classes; obtaining buy-in from the business for changes to workflow and/or user interfaces brought on by the newer version

- **Integration:** updating deprecated plug-in methods and classes, Gosu methods and classes, and entity domain methods; refactoring the code to use new or updated application programming interfaces and, at times, a new integration architecture

- **Database:** upgrading data from current Guidewire application to target upgrade version; identifying and resolving data validation issues, current data model extensions that may conflict with new fields introduced by the upgrade

- **Conversion:** fixing data issues and mapping to align with data model schema changes

- **Reporting:** handling adjustments due to changes in data structures or extending existing models to incorporate new data elements in latest version; ETL changes and extending custom data mart and cubes data mart

Our flexible delivery model combines resources to boost productivity and streamline project timelines.

- **Local/onshore:** experienced professionals with deep business and functional knowledge in insurance and Guidewire products with a focus on upgrades

- **Near-shore:** dedicated teams specializing in Guidewire InsuranceSuite implementations and upgrades, with access to leading practices, proven methodologies, accelerators and other assets

- **Offshore:** delivery teams specializing in configuration, integration and upgrades of the Guidewire InsuranceSuite, with hubs in the UK, the US, Japan, Australia, Canada and Poland supporting a mature distributed delivery model

Further, we use a unique hybrid approach to development, combining the best of both waterfall and Agile Scrum methodologies. For instance, inception, planning and deployment phases typically align with a typical waterfall implementation life cycle, while the development and testing follow iterative Scrum Agile models to help meet business and technical requirements. Our teams can also adjust the approach to emphasize waterfall or Agile processes, based on organizational standards and preferences.

**Change management to drive adoption**

Even more important, we provide robust program and change management to help enable effective new tools and processes and materialize the expected ROI. The specific steps include:

- Change readiness assessments
- Stakeholder engagement programs
- End-user training
- Communications

These steps can make the difference between outstanding and mediocre ROI, and are how technology upgrades can help achieve the broader value proposition of continued business transformation.

The bottom line is that our approach to upgrades is designed to reduce costs, risks and timelines, while still generating substantial business value from investments in Guidewire technology.
Why EY for Guidewire upgrades?

Insurers seeking to get more from their Guidewire platforms through highly effective upgrades should consider how EY’s approach leads to:

• **Lower total cost of ownership:** more cost-effective upgrades and lower production support costs can have the potential to deliver significant savings over the long term

• **Lower risk:** upgrades based on accelerators and other proven assets and executed by experienced and specialized teams significantly reduce upgrade risks

• **Track record of success:** vast and successful experience in designing and deploying scores of successful Guidewire implementations and upgrades, as well as close collaborations with Guidewire during an eight-year strategic alliance

• **Tested approach:** a team of more than 1,300 Guidewire professionals, as well as more than 9,700 insurance specialists, and Guidewire Centers of Excellence around the world; we apply lessons learned from a multitude of successful transformations, using accelerators and configuration templates to reduce implementation risk and shorten the time to value

• **Flexible approach:** delivery models designed to place the right resources at the right locations (onshore, near-shore or offshore) based on unique client needs and objectives, with multiple working shifts per day to maximize productivity

• **Thought leadership and industry innovation:** strategic investments and collaborations with Guidewire in next-generation capabilities, including mobile and portal channels, sensors and telematics
Critical questions to ask

Insurers considering upgrades to any of Guidewire’s core applications must address a number of key issues, including:

• Will the upgrade be “technical only,” with the same features moved to a newer Guidewire version? Or will it be a functional upgrade, with features also added?

• What are the performance improvement opportunities for the business and how can the software be configured to seize those opportunities?

• Will new functionality replace configured or customized changes to previous versions? How will previous customizations be reconciled with the latest code?

• What is the right mix of skill sets and experience levels to address both the business requirements and technical facets of the upgrade?

• What are the customer experience implications of upgrading to the new software?

• How can upgrades enhance reporting processes?

• Can accelerators be used to automate and speed up specific implementation steps or are they high level and generic?

• What is the plan for updating browsers, databases, enterprise systems and other infrastructural components that may not be compatible with older versions of the software?

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