

How to Ensure a Successful Transition to Guidewire Cloud

- ⊘ Identifying the Challenges
- Reducing your Technical Debt
- **Output** Building the Roadmap

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The time for cloud migration is here & now

With the proven benefits of the cloud across the key parameters of cost, speed, innovation, and flexibility, the insurance industry is exploring cloud migration with a greater sense of urgency for their core applications. Insurers are discovering that they can submit quotes faster, grow their customer base, empower agents with better technologies, and deliver a superior experience to customers and partners. The pandemic, anxious customers, and the surge in claims have thrown a clutch of new challenges. For those with on-premises insurance applications, legacy systems, and package products, the time to embrace the cloud to be able to accelerate delivery and drive innovation is here and now.



Faster time-to-market

With cloud automation, insurers can achieve faster time-to-market with new products and services and pursue global expansion plans faster while ensuring 100% compliance with local regulations.



Customer-centricity

Get a 360-degree view of customer data to drive customer-centricity.



Customer insights

Cloud technologies like analytics empower insurance companies to gain customer insights by quickly rolling out products or services in a test environment and gain feedback.



Lower TCO

By eliminating the cost of hardware and systems, and moving from CAPEX to OPEX, they can free up their budgets for market research, innovation, and talent upskill to ultimately gain a competitive edge.



High availability

Quote and Buy features will be available 24x7, and across time zones.



Customer service & business agility

Cloud technologies help to manage surges in demand with high efficiency, while also enabling insurers to maximize renewals.





Performance monitoring

24x7 performance monitoring of systems with dashboards and reporting.



Security

Robust security on the cloud means customer-related data is well-protected.

Beyond the well-established benefits of lowered TCO and scale, insurers are discovering the cloud as a means to building true digital capability in core functions such as policy administration, billings, and claims. Without the burden of having to manage legacy systems, they can focus on developing game-changing digital strategies, leverage the power of analytics and Al, launch new products, and enter new markets more quickly.

What makes Guidewire Cloud Platform an ideal destination?

For on-premises Guidewire InsuranceSuite TM or other insurance applications, Guidewire SaaS as the cloud destination holds several advantages:

Designed for your needs	 Engineered specifically for the P&C industry Combines digital, core, analytics, and AI to deliver its platform as a cloud service. Compliance with multiple industry standards Powered by AWS' highly resilient cloud infrastructure Designed to simplify changes to your system Guidewire has the highest R&D investment in the P&C industry with over \$600M invested since 2016
Multi-tenant and shared micro-services	 Ratings, FNOL, etc. Auto-upgrade Best performance, zero down-time with Kubernetes clusters (auto-scale)
Dedicated API gateway with pre-built Rest-APIs	 Connect any app Pre-built REST APIs Built-in load-balancing, security, authentication, and authorization

Cloud data access	 Secure access to raw transactional data with low latency			
and 'Explore'	(all managed as part one Guidewire Cloud platform)			
Future	 Utility to directly upgrade from V8 to Guidewire Cloud			
Upgradeability	(data & configuration) New release every 6 months. Fastest upgrade/update			
Cloud Ops Management	Built-in Performance & MonitoringCloud Assurance SLAs for key capabilities			
Total Cost of Ownership	Cheaper based on 3 years TCOOPEX model from Month 1			

By moving to Guidewire Cloud, you will join some of the largest and most complex insurers in the world that are leveraging the platform's digital, core, analytics, and Al capabilities to engage, innovate, and grow efficiently.

In this POV, we examine the challenges of migration, how on-premises Guidewire InsuranceSuite™ can migrate to Guidewire Cloud with maximum efficiency, minimum disruption, and experience a significant reduction in technical debt.

Identifying the challenges

With the proven cloud benefits experienced by the insurance industry, the question regarding cloud migration has shifted from "why?" to "how?". Understanding the requirements and foreseeing the challenges is imperative to overall success.

Accumulation of debt in the existing code base

Over several years, insurers perform heavy customization to the out-of-the-box (OOTB) functionalities and introduce new functionalities to address their business needs. This results in code quality issues and violations of coding best practices. Insurers may continue with the lower version and not perform a continuous upgrade. Over a period, this leads to an accumulation of technical and functional debt in the codebase resulting in a high cost of maintenance.

High effort to assess InsuranceSuite™ upgrade and cloud-readiness

Manual interventions to ascertain InsuranceSuite™ upgrade and cloud-readiness requires significant time and effort to assess the on-premise applications and identify the complexities involved. These include violations to best practices in code, DBCC in errors, must-do items, etc. The findings around on-premises deployment architecture, infrastructure, integration patterns, application dependency, etc., will need to be automated for a quick assessment as these may be required for non-Guidewire applications as well.

Upgrading to the latest version of InsuranceSuite™ ASPEN/BANFF can be complex

Heavy customization to out-of-the-box (OOTB) and violations to best practices in code increases the upgrade assessment effort since this is usually a manual process. The lack of automation requires greater effort and time to resolve DBCC issues and test the application after the technical upgrade.

Database replatforming from Oracle / SQL to AWS Aurora database

Challenges related to schema conversion, data types, and database code could be experienced. Migrating DataHub and InfoCenter to Guidewire Cloud and maintain it for 2-3 years until Guidewire Cloud Data Platform (Cloud Data Access and Explore) is fully functional requires careful analysis and effort.

Lack of automation in migrating to the cloud

There is significant effort incurred in testing the application, customizing the CI/CD pipeline, and customizing the monitoring dashboard in AppDynamics on Guidewire Cloud. The unavailability of one-click automated migration to Guidewire Cloud increases the effort to redefine the integration patterns and APIs in the Guidewire API gateway (OORT).

Maintenance of the applications on the cloud

For the Guidewire suite of products, insurers will need to adopt the new cloud operations and application support target operating model as suggested by Guidewire. They may have another preferred model for the rest of the on-premises applications or another self-managed cloud.

These challenges will need a thorough assessment to help develop the cloud strategy and roadmap to help deliver on the insurer's business goals.

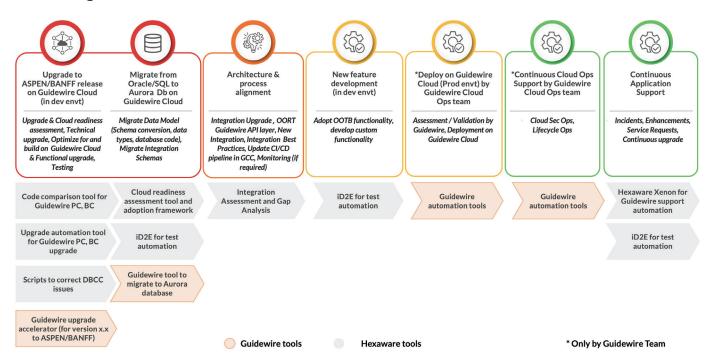
Reducing your technical debt

The total cost of ownership can be reduced by eliminating the technical and functional debt accumulated due to custom-built functions that were developed to fill a business need and were not provided in the installed core application. Hexaware will help to reduce the TCO by replacing the custom-built functions with now-available Out-of-the-Box features and functions that come with the new version. We will identify code quality issues and violations to coding best practices and clean up the technical debt by refactoring the code to align with Guidewire's best practices and SurePath methodology. Taking advantage of targeted Post-on-Change, removing GOSU code blocks from PCF's, or batch process load balancing will provide a boost to application performance and stability while providing a clear path for future upgrades.

Building the roadmap – upgrade first, migrate next

Hexaware's six-step process

Hexaware's transition to the cloud involves a six-step process to reduce effort and improve efficiencies of migration. This approach also helps us to identify and address the challenges unique to each client, in each stage.





Upgrade on-premises Guidewire InsuranceSuite™ to Aspen/BANFF or higher release on Guidewire Cloud

While InsuranceSuite™ v8.x and above have a direct upgrade path to Guidewire Cloud, an upgrade to v10.x/ASPEN/BANFF or higher versions when released is recommended to leverage the unique cloud-based functionalities offered by the latest versions and to improve the system resilience.

While an upgrade to the latest Guidewire version brings undeniable benefits to business, it also comes with its own set of technical and process challenges. To proactively address the challenges, Hexaware will deploy its InsuranceSuite™ upgrade and cloud-readiness assessment framework that includes code compare and upgraded automation tools while delivering a 15-20% productivity improvement. Hexaware has a well-defined methodology and an upgrade toolkit, DigIT, to accelerate the upgrade process with minimal risk.

To read our approach and expertise for upgrading Guidewire InsuranceSuite, download our flyer here.

Database re-platforming from Oracle/SQL server to AWS cloud-native database, Aurora

The Guidewire migration tool will enable replatforming of the database and migration of data from Oracle/SQL server to Aurora database on Guidewire Cloud. This also requires significant effort to reconcile the data which can be done using Hexaware's iConvert solution.

With the migration of DataHub and InfoCenter to Guidewire Cloud, there will be a need to repurpose some of the existing batch jobs and ETLs for data consolidation to warehouse, financial, and regulatory reporting. With the introduction of Guidewire Cloud Data Access and Explore, Hexaware will enable the pipeline to integrate the data with the insurer's data warehouse, data lake, or any data marts as needed.

Architecture and process

It is required to redefine all the existing integration patterns and APIs in the Guidewire API gateway (OORT). Hexaware will follow the Guidewire-recommended reference architecture to re-design all the existing interfaces and develop new interfaces and functionalities using Guidewire SurePath guidelines and standards. This may also impact some of the existing interfaces with non-Guidewire applications which will remain on-premises. Hexaware will perform the re-alignment of such interfaces as needed. We will also support any customizations to the DevOps pipeline in GCC with integrated test automation and customization to AppDynamics monitoring dashboards based on business needs.

Deploy on Guidewire Cloud and cloud operations support

The release management and deployment on the Guidewire Cloud production environment will be performed by the Guidewire Cloud operations team. Hexaware will provide all the support needed in this activity to enable the Guidewire team with successful deployment in the production environment. This includes continuous cloud operations support (Cloud Sec Ops, Lifecycle Ops) by the Guidewire Cloud operations team.

Continuous application support

Hexaware will define an automation-first target operating model for support. This will include Guidewire and non-Guidewire applications. It will include management of incidents, service requests, functional enhancements, and continuous upgrades. Hexaware will bring its Al-enabled Xenon platform to prevent incidents, automate recovery, and enable self-service, where prevention and automation is not possible

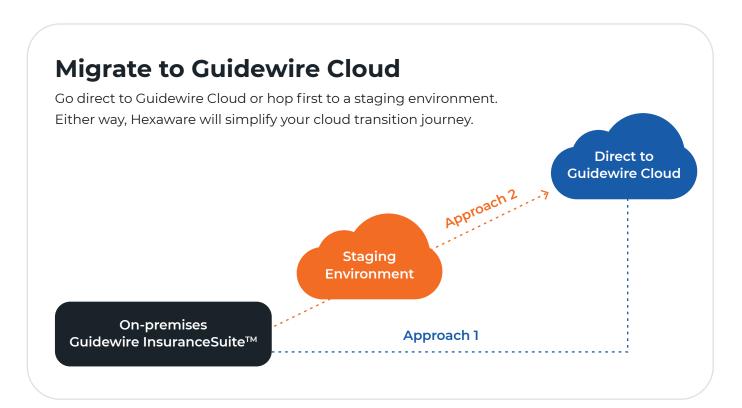
Insurers can also transition to a staging environment

No vendor lock-in for cloud platform	Complete control on release velocity	Architectural flexibility	Many success stories	DataHub and InfoCenter
Insurers can opt for a public or private cloud that is aligned to their enterprise cloud strategy	Insurers may customize the release velocity based on their business need	The architecture can be customized to complement insurers' existing enterprise architecture	Many insurers have successfully migrated their Guidewire core applications to a cloud platform and managing it on their own. However, in the last few months, insurers have also started their migration to Guidewire Cloud Platform	DataHub & InfoCenter will be replaced by 'CDP' & 'Explore' on Guidewire Cloud. Both may co-exist for a few years and need to be maintained in parallel for Guidewire Cloud customers

A phased approach also allows insurers to align their migration to their corporate strategy. It gives them more time for evaluating all parameters to become fully ready for Guidewire Cloud, stabilize operations, analyze learnings, and then ultimately make the move to Guidewire Cloud. In this approach, the deployment architecture and tools will be aligned to Guidewire Cloud standards which will make the future transition to Guidewire Cloud easier. Besides, Hexaware will also examine the client's current infrastructure, enterprise cloud strategy, business goals, and technical skills to define future architecture and roadmap.

Simplify your journey to Guidewire Cloud Platform with Hexaware

Backed with a deep experience of working with P&C insurers and expertise with Guidewire implementations, Hexaware has developed value-added solutions and technology offerings that enable insurers to rapidly adopt Guidewire InsuranceSuite™ and Guidewire digital products, thereby increasing the speed to implementation, mitigating execution risk, and lowering costs. We have supported several Guidewire customer successes and offer localized solutions to insurers in their respective regions.



Backed by our people, partnerships, and tools, we are well-positioned to support and guide insurers in their digital transformation journey to the cloud through an automation-led approach.



Our strong partnerships with Guidewire and AWS means we have the technical expertise and are backed by the availability of tools from the software and cloud platform provider during the project.

Partnership



Migration to the cloud is delivered by our Guidewire certified consultants on InsuranceSuiteTM, cloud best practices (Ace certified), and cloud platform certified consultants and architects with the right blend of technical and functional skills.

People



Hexaware's DigIT solution leverages automation to do your cloud-readiness assessment and for the InsuranceSuite $^{\text{TM}}$ upgrade.

Our iD2E solution will drive the entire testing process to increase productivity by 20-30%.

The Xenon platform for application support will eliminate recurring incidents and service requests through automation.

Begin your cloud journey with expert advice from our consultants

If you are looking for expert guidance for your cloud transition journey, write to us at marketing@hexaware.com Our Guidewire consultants will get in touch to understand your requirements, goals, and challenges and help you to simplify your journey to Guidewire Cloud.

References

Gartner names Guidewire InsuranceSuite™ as a Leader in the Magic Quadrant for P&C core insurance platforms in North America for the sixth consecutive time

Retrieved from:

https://www.guidewire.com/about-us/news-and-events/press-releases/20201111/guidewire-insurancesuite-positioned-leader-gartner

About Hexaware

Hexaware is the fastest growing next-generation provider of IT, BPO and Consulting services. Our focus lies on taking a leadership position in helping our clients attain customer intimacy as their competitive advantage. Our digital offerings have helped our clients achieve operational excellence and customer delight. We are now on a journey of metamorphosing the experiences of our customer's customers by leveraging our industry-leading delivery and execution model, built around the strategy— 'Automate Everything™, Cloudify Everything™, Transform Customer Experiences™.' Hexaware services customers in over two dozen languages, from every major time zone and every major regulatory zone. Our goal is to be the first IT services company in the world to have a 50% digital workforce.

Learn more about Hexaware at www.hexaware.com

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Certain statements in this press release concerning our future growth prospects are forward-looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in IT services including those factors which may affect our cost advantage, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which Hexaware has made strategic investments, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry