DXC
TECHNOLOGY

Swift and steady wins the race: $2B life insurance transformation

CUSTOMER
Leading Multi-line Insurer

LOCATION
Australia

INDUSTRY
Insurance

Challenge

- Transformation and migration of 719,000 policy records and associated data following a $2B business acquisition
- Data migration from 17 source systems to six target systems, with a combined portfolio of 230 products
- Migration of 750,000 clients, 16.9 million images and documents

Solution

- Execution of a significant insurance data transformation and migration
- Business requirements analysis, source and target systems mapping, business rules definition, data extraction, build, test, implementation and production support

Results

- Complete integration of acquired insurance business to create one of Australia's largest life insurers
- Successful migration of all policies and associated data with involvement from up to 190 DXC resources across four countries and six locations
- Rationalisation of 230 products down to between 30 and 40 in the combined portfolio

Swift and steady wins the race: $2B life insurance transformation

With over 50,000 employees, this leading multi-line insurer serves customers in global and local markets. The local arm of the company employs more than 1,000 employees across Australia and New Zealand and provides a wide range of life insurance as well as property and casualty products and services to individuals, small businesses, mid-sized and large companies, and multinational corporations.

The insurer needed a strategic partner to execute the significant data migration and transformation program. Speed of integration was also critical in delivering rapid value from the corporate acquisition, so an aggressive deadline for program completion was set.

Business challenge

The recent acquisition by the insurer of a life insurance business from a large Australian bank created a requirement to transform incoming policies and associated data to fit its existing schemas. This included policy administration, CRM, claims, document management and data warehousing systems, with added complexity due to a number of ageing source systems, some up to 40 years old.

Data had to be migrated from 17 source systems to six target systems owned by the insurer. With the need to rationalise 230 products (to between 30 and 40) and 719,000 policy records (each containing up to 40 fields), 750,000 clients, 16.9 million images and documents, this was an enormous and highly complex program.

A major challenge with the program was working with live data that could negatively impact the policyholder's

financial position, which left minimal room for error. In addition, insurance policy data is often sensitive, so strict access restrictions and security were essential.

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Solution

The insurer selected DXC Technology to transform and migrate all policies and associated data for the acquisition. With a long heritage of insurance industry expertise, an ecosystem of partners, and a presence in more than 70 countries, DXC was ideally positioned to ensure success for a program of this size and complexity never before achieved in Australia or New Zealand.
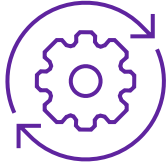
DXC's existing long-term global relationship with the organisation also meant a deep understanding of the international business and ongoing success in delivering services and support worldwide.

Implementation

DXC was involved from beginning to end, with expertise provided on all aspects of requirements analysis, design, development, implementation and production. Over three years, the DXC team worked closely with the insurer to define and complete mapping between source and target systems before building the data extraction and transformation rules; and test, load, deployment and support activities.

To ensure the solution in place was working before moving into production, a significant sample of data across the project was tested. With manual testing requiring approximately 30 minutes per policy, DXC opted for an automated test approach. Automated testing significantly increased the volume of records that could be tested. This meant considerable benefits, both from the reduced need to engage manual testers and the ability to reuse testing scripts, cutting preparation time and enabling a greater focus on execution. This approach facilitated much faster testing times to achieve 100 records per hour instead of two per hour previously. The end result was improved data quality due to the faster execution time and reuseablity of test scripts.

For one of the business lines, 1,500 business rules were elicited, documented, built and tested. Constraints and misconceptions with the previous business rules and systems meant considerable rework and replanning from DXC and the insurer.

The complexity increased when country-wide lockdowns and restrictions came into force due to COVID-19. As this was a completely new situation for everyone involved, the program planning and delivery was affected, bringing with it significant uncertainty. Team motivation, performance, and wellbeing were impacted. Both DXC and the insurer established joint plans to overcome these challenges and, more importantly, ensure the entire teams' wellbeing was a priority.

Results and benefits

DXC successfully migrated all policies and associated data for the insurer, with involvement around the clock from up to 190 DXC resources across six locations in four countries. Some 230 products were rationalised to 30-40 in the new portfolio, simplifying policy administration and supporting a more customer-centric approach.

Daniel Biondi, CTO, Asia Pacific from DXC Technology, said, "The complexity of all the possible permutations of policy data was significant. There were 719,000 policy records, each containing up to 40 fields. Every attribute on every policy on every component was moved. The accuracy of data mapping was key to the success of this program."

Today's competitive environment presents unprecedented opportunities for insurers to transform their business and overtake the competition through improved policy administration and customer service.

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Without the efficient and effective transformation of existing policies from the acquired business unit to the insurer, administration for the new business would be much more cumbersome, and customer experience would not be what it is today.

The critical final handover period into production was effectively managed via hypercare support with DXC ensuring the insurer experienced a smooth transition into production with a stabilisation phase. The initial agreement of 90 days was subsequently reduced to 60 days due to the high-quality production outcomes and low number of identified defects.

Biondi concluded, "The DXC team's expertise and know-how helped the organisation meet requirements around quality, speed and security, and ultimately our work contributed to a successful migration for policyholders joining the insurer's business."

A spokesperson from the insurer said, "With this complex migration and transformation program, both organisations collaborated very closely to achieve the required outcomes and ensure the successful delivery of this critical program which was fundamental to the company's business."

The future

As part of an ongoing global support agreement, DXC continues to provide services and support to the insurer.

Building upon previous know-how, the added experience gained from this successful program has enabled DXC to further improve a best-practice framework for rapidly executing similar programs for other customers facing significant data transformation and migration challenges.

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About DXC Technology

DXC Technology (NYSE: DXC) helps global companies run their mission-critical systems and operations while modernizing IT, optimizing data architectures, and ensuring security and scalability across public, private and hybrid clouds. The world's largest companies and public sector organizations trust DXC to deploy services to drive new levels of performance, competitiveness, and customer experience across their IT estates. Learn more about how we deliver excellence for our customers and colleagues at DXC.com.