

Innovation Community

AT A GLANCE

Introduce Custom-Built Enhancements into CSC's Systems

Eliminate Cost of Retrofitting Custom Code

Ease Migration to New Versions of Software

Lower Software Maintenance Costs

Influence Direction of Software Development

Leverage CSC's Research, Development and Best Practices

Collaborative Development Process Lowers Application Maintenance Costs

The ongoing maintenance and enhancement of applications account for a major portion of virtually every organization's IT budget. In fact, studies have shown that over the lifetime of an application, the cost of maintaining each line of code is seven to ten times greater than the cost of writing it.

After licensing a vendor's software package or component, one of the first things an insurance company typically does to meet its business needs is enhance that software by introducing new code and altering the database. Sometimes the needs are unique to a specific carrier or line of business. Other times, the modifications introduce new functions that might appeal to a wide range of users of the software.

Over the long term, these code and data extensions require special handling and maintenance as both technology and the base software package evolve. Over the past 35 years, CSC has worked with hundreds of property and casualty insurers on retrofitting custom-built enhancements into new releases of base software code. This customization process must be repeated with every upgrade, making it the most expensive task in migrating to a new release.

CSC and its nearly 700 customers created the Innovation Community to help CSC's clients avoid customization and lower their application management costs. Established in 1999, CSC's Innovation Community program allows companies to incorporate custom enhancements into CSC products, reducing ongoing maintenance costs and simplifying the upgrade process. Since the program's introduction, more than 650 Innovation Community projects have been included in the base software, and more than 200 projects are at various stages in the development process.

Participation in the Innovation Community by CSC customers has increased exponentially since its inception. The program which began with CSC's Exceed® now also includes POINT IN, RISKMASTER® and Series II.

Through the Innovation Community process, CSC applies its Software Quality Assurance (SQA) methodology, software testing and release processes to custom enhancements submitted by software users. This SQA process ensures all requirements for base code are met, including formal specifications, inspections, documentation, quality assurance, performance, scalability, migration considerations and release management. CSC funds the overhead associated with meeting these formal base release requirements. Once the enhancement is incorporated into the base system, it is maintained and migrated as part of all future product releases.

CSC's Innovation Community process includes the following steps:

- **Business requirements definition** — A gap analysis defines the project's business requirements, which are submitted for Innovation Community evaluation.
- **Approaches and specifications** — CSC and the company jointly develop criteria for acceptance and identify how business needs can be met.
- **Function list** — New functions are documented and added to the list of base system enhancements.
- **Migration plan** — CSC assesses the impact of changes to the current release, if any, and develops any necessary migration plans to help other software users easily take advantage of the new function.
- **Test plans** — Test documents and a performance test plan are included in the project documentation to ensure the enhancement is ready for production.
- **Unit, system, performance and release testing** — At various stages of the development cycle, CSC performs functional, exploratory, regression, migration and performance testing. In addition, bug bashes may be held to allow sponsoring clients to test the enhancement as it is being developed.
- **Release documentation** — Funded through the Innovation Community but completed by CSC, release documentation is created and delivered with the enhancement.
- **Completion of release checklists** — CSC's project teams and management team are required to sign off on the release checklist before the Innovation Community project is made generally available to other software users.

Optional Participation in Program

The Innovation Community is an optional program. Recognizing that some functional enhancements may serve as competitive advantages in the market, organizations can choose to have some, all or none of their enhancements submitted as Innovation Community projects. CSC also retains the right to decline an Innovation Community project since CSC's primary responsibility to users is to protect the integrity of the system's base code and functions. Projects that duplicate existing function or conflict with the strategic direction of the base product are typically not candidates for the Innovation Community program. Historically, more than 90 percent of the enhancement projects submitted have been accepted into CSC's Innovation Community program.

The primary benefit of CSC's Innovation Community program is to help organizations reduce their IT budgets for code maintenance, technology upgrades and release migrations. CSC's users can truly adhere to their base system's package throughout the long-term evolution of the product; therefore, the Innovation Community program drives down the total cost of ownership for the application.

Support from CSC's Development Team

The Innovation Community program is fully supported by CSC's development team, which is continually enhancing the functional and technological capabilities of the software. Embedding custom enhancements into the base code is a key mechanism for ensuring organizations can always take advantage of new developments. The

Innovation Community also helps users influence the future direction of CSC's products. In addition to users' group enhancements and ongoing CSC development efforts, client-sponsored enhancements are one of three key mechanisms for adding new function into CSC's base systems.

CSC's Innovation Community process provides a consistent and customer-neutral process for these enhancements. The program also helps organizations get out of the IT maintenance business. Once the code is turned over to CSC, CSC's base development organization is responsible for all maintenance. The program benefits both CSC and the client, allowing both organizations to foster a long-term relationship and drive down total cost of ownership.

Custom software enhancements can be crucial to any insurance carrier's business, but the associated effort and cost of maintaining the code and retrofitting it for new releases can pose a major burden. CSC's Innovation Community program enables companies to incorporate custom enhancements into CSC's products, allowing CSC to focus on the IT challenges and clients to focus on automating business processes.

For more information about CSC's Innovation Community, call 800.345.7672 or send an e-mail to inforequests@csc.com.

About CSC

Computer Sciences Corporation, one of the world's leading consulting and IT services firms, helps clients in industry and government achieve strategic and operational results through the use of technology. The company's success is based on its culture of working collaboratively with clients to develop innovative technology strategies and solutions that address specific business challenges.

Having guided clients through every major wave of change in information technology since 1959, CSC combines the newest technologies with its capabilities in consulting, systems design and integration, IT and business process outsourcing, applications software, and Web and application hosting to meet the individual needs of global corporations and organizations.

About CSC in Financial Services

CSC distinguishes itself through its time-tested ability to plan, build and operate highly reliable, efficient and secure business and IT solutions for leading financial services firms around the world. To complement its capabilities in consulting, systems integration and outsourcing, CSC brings financial services industry knowledge and experience, a comprehensive portfolio of financial services application software and an extensive network of industry and technology partners. More than 10,000 CSC employees are dedicated to serving financial services clients, including more than 1,200 major banks, insurers and investment management and securities firms.

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