



ti.

DEMYSTIFYING THE JOURNEY TO **GUIDEWIRE CLOUD**



www.hexaware.com

After the initial reluctance, the insurance industry has accelerated adoption of cloud to realize the full benefits of cost, speed, scale, and flexibility. Also, the pandemic has brought new challenges and expectations for insurers. With the surge in claims and more peak cycles, they need to ensure that their core insurance applications like the Guidewire suite of products are available and scalable. The cloud promises better availability, scalability, and performance.

This article focuses on demystifying the strategy, approach, and key considerations to be evaluated by insurers that run on on-premises Guidewire InsuranceSuite™ in their plans to migrate to the cloud.

Why Upgrade to BANFF? Is this mandatory?

The journey for Guidewire InsuranceSuite™ to cloud goes through the first step of upgrading from a lower version to v10.x / ASPEN / BANFF or higher versions when released. This is not a mandatory step depending upon the InsuranceSuite™ version you are on. InsuranceSuite™ v8.x and above have a direct upgrade path to Guidewire Cloud. This step is however recommended to stay up to date for future upgrades and to leverage the unique cloud-based functionalities offered by these versions. There are few other strong reasons to consider upgrading Guidewire InsuranceSuite™ right now.

- Many new features and functionalities are available in the latest product release(s) to improve business capabilities (e.g., Advance Product Designer, fully integrated REST integration framework with API Gateway and pre-built API library)
- Guidewire InsuranceSuite™ v10 and above are built using Java 11. Java 8 is soon going to be out of support (by Oracle) and Guidewire will stop supporting Java 8 from Sep 2021 onwards
- Oracle will end their support for Oracle Database 12.2.0.1 in November 2020. Guidewire InsuranceSuite™ v10 and above support Oracle database 19c.

We understand that “now” is the right time to move to Cloud, but why Guidewire Cloud?

More and more insurers are now embarking on the cloud journey for their Guidewire suite of products. The greatest dilemma, however, is the choice between self-managed cloud and Guidewire Cloud. Insurance IT leaders who are yet to make the transition to either self-managed or Guidewire Cloud have several aspects to consider before undertaking the cloud journey –

- What is the state of our readiness for upgrade and migration to cloud?
- Which InsuranceSuite™ version to upgrade to and what is the time and effort required to upgrade?
- What will give better TCO from a 3 to 5-year perspective – self-managed cloud or Guidewire Cloud?
- What will be the complexity and effort in migrating from self-managed to Guidewire Cloud?
- What will be the new integration architecture on cloud for API, webservices, batch, message queue?
- How will InsuranceSuite™ on Guidewire Cloud interact with Guidewire portals and other channels?
- How will we access the transactional data, and can we continue to get financial reports from DataHub and InfoCenter?
- How will the customer and master data be accessed from a third-party MDM solution?
- What will be the complexity if few non-Guidewire applications; say Claims application, remain on-premise while PolicyCenter and BillingCenter are migrated to cloud?
- What will be the role of our internal IT team and services partner in the migration to Guidewire Cloud and what will be the operating model for cloud operations and application support?

While there are several such aspects to be considered, we have summarized the main ones for Guidewire Cloud (Hybrid Tenancy) and Self-Managed Cloud (Single Tenancy) as depicted below:



GUIDEWIRE CLOUD

Multi-Tenant and shared micro-services

- Ratings, FNOL, etc.
- Auto-upgrade
- Best performance, zero down-time with Kubernetes clusters (auto-scale)

Future Upgradability

- Utility to directly upgrade from V8 to Guidewire Cloud (data & configuration)
- New release every 6 months. Fastest upgrade/update

Dedicated API Gateway with pre-built REST APIs

- Connect any app
- Pre-built REST APIs
- Built-in load-balancing, security, authentication, and authorization

Cloud Ops Management

- Built-in Performance & Monitoring
- Cloud Assurance
- SLAs for key capabilities

Cloud data access and "Explore"

- Secure access to raw transactional data with low latency (all managed as part of one Guidewire cloud platform)

Total cost of ownership

- 30-35% cheaper (based on 3 years TCO)
- OPEX model from Month 1



SELF-MANAGED CLOUD

No "Vendor lock-in" for Cloud Platform

Insurers want to go for any preferred public or private cloud aligned to their enterprise cloud strategy

Many success stories

Many insurers have successfully migrated their Guidewire core applications to self-managed cloud. In the last few months, many insurers have started their migration to Guidewire Cloud

Complete control on Release velocity

Insurers may customize the release velocity, no dependency on Guidewire

Datahub & InfoCenter

Datahub & InfoCenter may be replaced by CDP & "Explore" on Guidewire Cloud. Both may co-exist and need to be maintained in parallel for Guidewire Cloud customers

Architectural flexibility

Self-managed Guidewire can be customized to complement Insurers existing enterprise architecture

Guidewire's cloud service is engineered specifically for the P&C industry. It is designed to simplify how insurers make changes to their systems and is compliant with multiple industry standards. It combines digital, core, analytics, and AI to deliver their platform as a cloud service. Guidewire Cloud is powered by Amazon Web Services' highly resilient cloud infrastructure, with SLAs backed by experienced Guidewire teams and SaaS-certified partners spanning application management, system administration, security and compliance, upgrades, health checks, and other services. With Guidewire Cloud, insurers can focus on business agility, engaging more deeply with their customers and simplifying IT.

Migration challenges based on our past learnings

Any large-scale business and technology transformation projects go through rough patches. The success of the project however depends on timely identifying these and being prepared with a plan to mitigate these. Some of the known challenges that are likely to pop up in the cloud migration journey include:

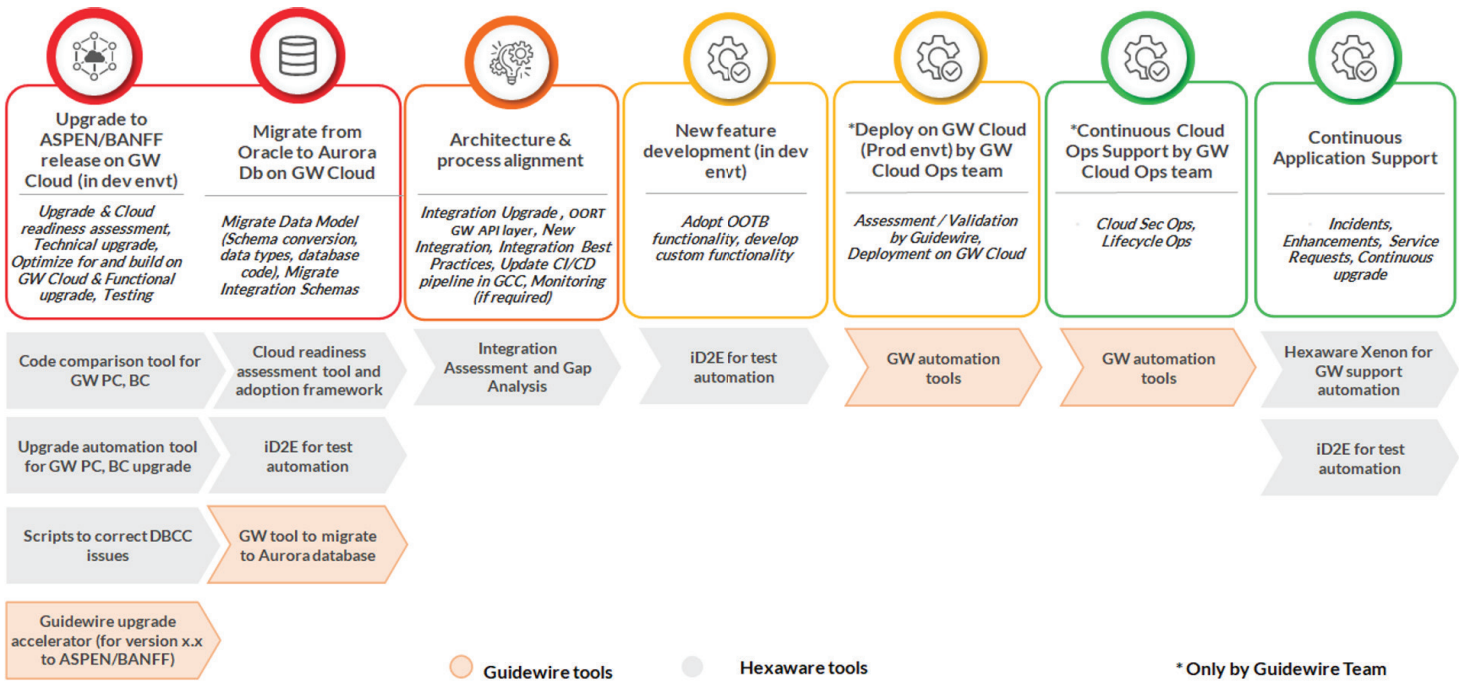
- **High effort to assess InsuranceSuite™ upgrade and cloud readiness** – Manual interventions to ascertain InsuranceSuite™ upgrade and cloud-readiness require significant time and effort to assess the on-premise applications and identify the complexity involved in upgrade and migration, For example, best practices violations in code, DBCC errors, MUST DO items, etc. The findings around on-premises deployment architecture, infrastructure, integration patterns, application dependency, etc., need to be automated for a quick assessment since this may be required for non-Guidewire applications as well.
- **Complexity to upgrade to the latest version of InsuranceSuite™ ASPEN / BANFF** – Heavy customization to out-of-the-box (OOTB) and violations to best practices in code increases the upgrade assessment effort. Lack of automation results in significant effort 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. Effort is also incurred in migrating DataHub and InfoCenter to Guidewire Cloud and maintain it for a period of 2-3 years until Guidewire Cloud Platform (Cloud Data Access and Explore) is fully functional.
- **Lack of automation in migrating to the cloud** – Effort required to redefine the integration patterns and APIs in the Guidewire API gateway (OORT). The unavailability of one-click automated migration to Guidewire Cloud increases the effort. There is significant effort incurred in testing the application, customizing the CI/CD pipeline, and customizing the monitoring dashboard in AppDynamics on Guidewire Cloud.
- **Maintenance of the applications on the cloud** – For Guidewire suite of products, insurers need to adopt the new cloud operations and application support target operating model suggested by Guidewire while they may have another preferred model for the rest of the applications on premise of other self-managed cloud.

These questions and challenges will need a thorough assessment to help develop the cloud strategy and roadmap that best fits the insurer's business goals.

Upgrade and Transition to Guidewire Cloud – Hexaware's approach

Hexaware has developed an automation-led approach to enable insurers to migrate from Guidewire InsuranceSuite to Guidewire cloud using Hexaware 'Cloud Saber' solution. Our IP-led approach is robust as well as versatile and custom built for migrating Guidewire InsuranceSuite to cloud. Cloud Saber, Hexaware's cloud migration tool helps to deliver automation in every step of the migration process, thus reducing the effort and improving the efficiency of migration.





1. Upgrade self-managed on-premise Guidewire InsuranceSuite to v10.x or higher release on Guidewire Cloud

This is delivered by our InsuranceSuite™ upgrade and cloud readiness assessment framework that includes code compare and upgraded automation tool. It delivers 15–20% productivity improvement. The framework includes guidelines to optimize Guidewire Cloud standards and best practices, a reference architecture and approach for functional and non-functional testing.

Our testing automation tool, iD2E, for InsuranceSuite™ delivers end-to-end automation from test design to execution and is compatible with both, model-based and behavior-driven development approach. The testing standards and methodology are approved by Guidewire Cloud Assurance Delivery team. iD2E has 6500+ test cases for OOTB InsuranceSuite™ and delivers 100% more test coverage and 50% more automation in Guidewire testing.

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

Enable faster migration using Guidewire database re-platforming tool.

3. Architecture and process re-alignment, new feature development

Reference architecture to re-design existing interfaces and develop new interfaces, functionalities using Guidewire SurePath guidelines and standards, customize DevOps pipeline in GCC with integrated test automation. Also customize AppDynamics monitoring dashboards based on business need.

4. Deploy on Guidewire Cloud and cloud operations support

Release management and deployment on Guidewire Cloud production environment by Guidewire Cloud team. This also includes continuous cloud operations support (Cloud Sec Ops, Lifecycle Ops) by Guidewire Cloud operations team.

5. Continuous application support

It includes incident management, service requests, functional enhancements, and continuous upgrade.



Hexaware's Experience & Expertise

With over 25 years of experience in working with P&C insurers and 5+ years with Guidewire customers, Hexaware has developed value-add domain solution and technology offerings that enable insurers to rapidly adopt Guidewire InsuranceSuite™ and Guidewire Digital products on cloud, increasing speed to implementation, mitigating execution risk, and lowering costs.

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



People

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



Partnerships

We have built strong partnerships with Guidewire and Amazon due to our technical expertise and availability of tools from the software and cloud platform provider during the project.



Tools

Automation-first approach delivered by our cloud migration solution, Cloud Saber, for cloud readiness and InsuranceSuite™ upgrade assessment and automation, reference architecture, automation in testing automation increases the migration productivity by almost 20-30%.

Not sure about your InsuranceSuite upgrade and migration to cloud ?

If you are exploring upgrade and cloud options for your on-premise Guidewire InsuranceSuite and are looking for expert guidance on what is the best approach, meet us at Guidewire Connections Reimagined - Partner Lounge or write to us at marketing@hexaware.com. Our expert Guidewire consultants will get in touch to understand your requirements, goals and challenges.

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

NA Headquarters

Metro 101, Suite 600,101
Wood Avenue South, Iselin,
New Jersey - 08830
Tel: +001-609-409-6950
Fax: +001-609-409-6910

India Headquarters

152, Sector - 3
Millennium Business Park
'A' Block, TTC Industrial Area
Mahape, Navi Mumbai - 400 710
Tel : +91-22-67919595
Fax : +91-22-67919500

EU Headquarters

Level 19, 40 Bank Street,
Canary Wharf,
London - E14 5NR
Tel: +44-020-77154100
Fax: +44-020-77154101

APAC Headquarters

#09-01, One Finlayson
Green, 1 Finlayson Green,
Singapore - 049246
Tel : +65-63253020
Fax : +65-6222728

Australia Headquarters

Level 3, 80 Mount St
North Sydney NSW 2060
Australia
Tel : +61 2 9089 8959
Fax : +61 2 9089 8989

Safe Harbor Statement

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.