Published
March 2019

Automating Content-Centric Processes in Insurance

How to build an effective strategy for Content Migration, Transformation and Integration with the right Intelligent Information Management

EXECUTIVE SUMMARY

Insurance is a highly competitive business and every day insurers are faced with an ever-growing volume and variety of information distributed across multiple locations, systems and platforms. Every day more data — including new claims, policy changes, detailed financial information, new business underwriting and other business communications — enter in the system.

Insurers are fully aware that their legacy technology is outdated. Many organizations have put in place manual processes or highly customized applications to bypass the problems caused by their legacy systems rather than strategically modernize them.

Insurance is still a paper-based business but there are vast amounts of digital documents coming in various formats — such as video, phone calls, chat logs, web analytics and more — and from multiple sources including social. "Often referred to as multi channel inbound and outbound content, information enters and exits the business in many different ways and in many forms. In addition, the amount of information we are dealing with is on the rise, which means the risk of paper-based information being misplaced, lost, or misclassified is greater than ever" [(1)].

This paper examines why and how many in the insurance sector are ditching paper and turning to paperless document management to support compliance requirements and help them achieve their business objectives.

1 *https://info.aiim.org/aiim-blog/reducing-the-insurance-paper-mountain-infographic*

PART 1

Top Drivers for System Modernization

1.0 Top Drivers For System Modernization

Yes, digital transformation is an overused buzzword and it can mean different things to different companies. The high-level driver for this modernization is the evolution of the market. Insurers has to deliver products and services quickly and they need to reinvent itself with major revisions in operating models, document processes, value propositions and customer relationships.

The insurance industry has never been much of a leader when it comes to technology. However, the attitude is changing and insurers are considering modernizing their core systems.

By analyzing their processes, insurers have identified 6 top drivers for system modernization:

1 Automating Content Centric Processes

As content moves through a process, its value increases exponentially; processes that include automation of transactions, management of associated documents and enhanced communications between people can translate to competitive advantage and higher profits. In the Insurance sector, cognitive content automation is significant in claims processing and influences on speed, accuracy, cost and customer satisfaction.

4 SIGNIFICANT INFLUENCES OF COGNITIVE CONTENT AUTOMATION

Faster in Speed

High Accuracy

Save Cost

High Customer Satisfaction

2 Reducing Costs

Managing claims, underwriting, policy administration or billing systems, through legacy systems and manual processes is costly. Questions about return on investment (ROI) are among the first insurers ask when considering replacing their legacy document management systems with more modern enterprise content services (ECS) solutions. ROI is certainly important, but it's crucial for insurers to look beyond initial cost-to-savings ratios to accurately compare total cost of ownership.

3 Improving Operational Efficiency and Business Agility

Automating manual processes and minimizing paperwork is critical to this goal, but in a legacy mainframe environment, years of custom coding and limited integration capabilities make increasing straight-through processing is extremely difficult.

4 Accelerating Time To Market

Insurers are constantly launching new products and services to compete and the speed in which they are delivered is a critical market differentiator. In addition, demand for greater customer loyalty and new delivery channels including mobile are rising and legacy systems often are not able to meet these requirements due to legacy system complexities and reliance on code modifications even for simple changes to existing products and services.

5 Integrating Multiple Systems

Organizations have a lot to integrate. Driven by trends such as cloud, or due to large mergers and acquisition, the number of applications used by companies today is huge. On average large organizations are using more than 1000 individual application across their business, therefore agility in application integration is essential to growing in a changing market.

"Alfresco has proved to be scalable and robust, while API allowing easy integration to other systems that was crucial for project success. Users have the content in the systems they use to get their job done, with Alfresco managing the content and enabling advanced search and viewing capabilities. This has made our processes more efficient."

Benoît Vard

Benoît Vard
Project Manager, Ethias

6 Enhancing User Experience

Users pretend tools easy to use, with simple processes and integration with their main systems (emails, folders..). Collaboration and searchability are other two main drivers to increase their productivity, as well as a mobile and reliable and connected interfaces with the customers.

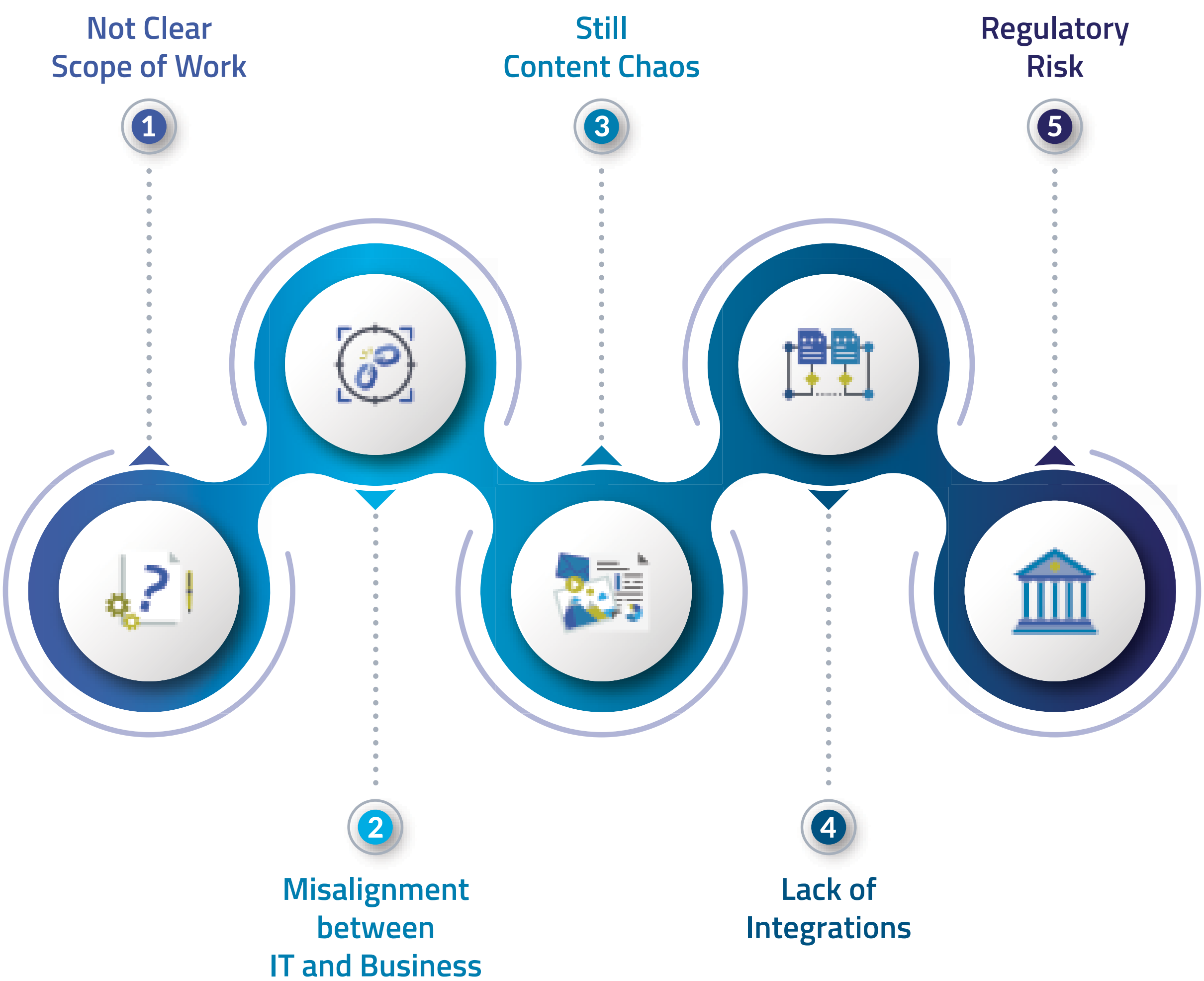
PART 2

Breaking Down Barriers

2.0 Breaking Down Barriers

Adapting to a new digital landscape presents many difficulties for insurance sector, due to their legacy infrastructure, and a surprising number of insurers have no clear business case for digital. Therefore companies need to break down some barriers and mitigating implementation risks.

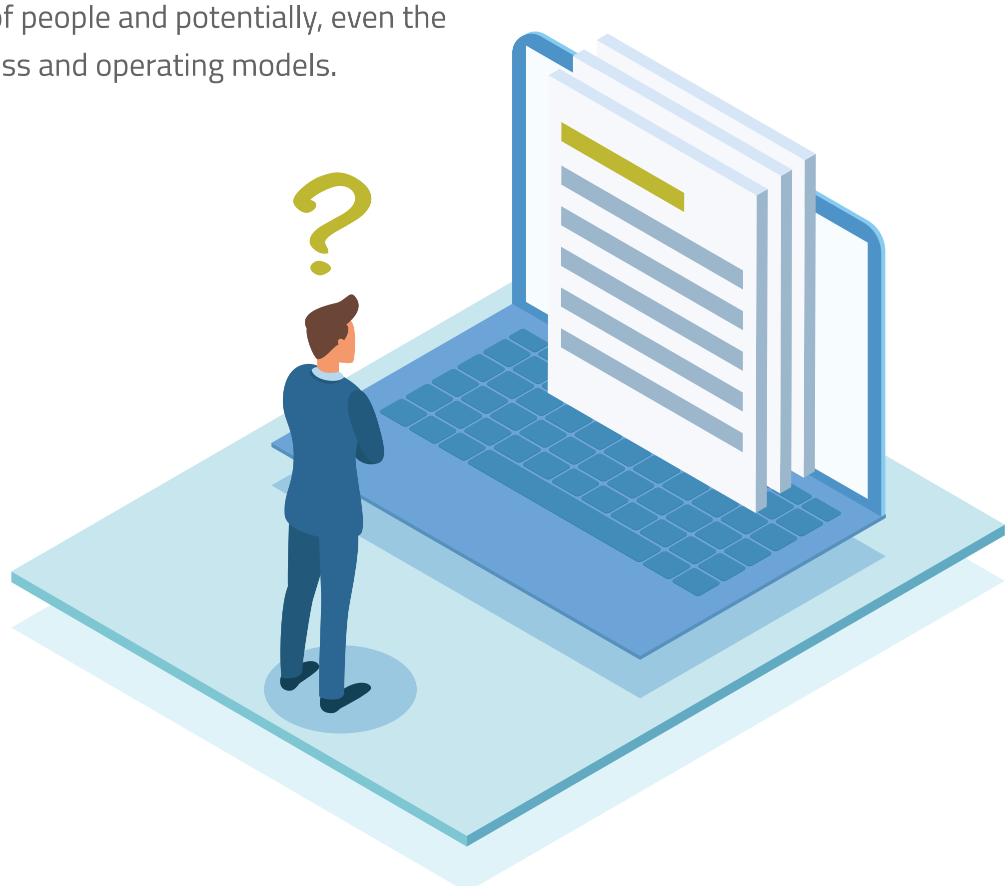
2.1 Biggest Barriers to Taking Action



1 Not Clear Scope of Work

Organizations are overwhelmed by consultant firms, industry analysts, experts and their overflow of information about Digital Transformation. Intelligent content management, Internet of Things (IoT), omni channel, big data, telematics, blockchain, biometrics and analysis. The problem is NOT with technology. Most of them are mature enough to support and drive the transformation. The challenge for CEOs and executives is understanding how to change and transform their businesses. Digital transformation is used to package and sell technology because it sounds progressive and modern. But the real scope of digital transformation is much harder to accomplish because it means changing the culture and the behaviors of people and potentially, even the core business and operating models.

The real scope of digital transformation is much harder to accomplish because it means changing the culture and the behaviors of people and potentially, even the core business and operating models.



2 Misalignment between IT and Business

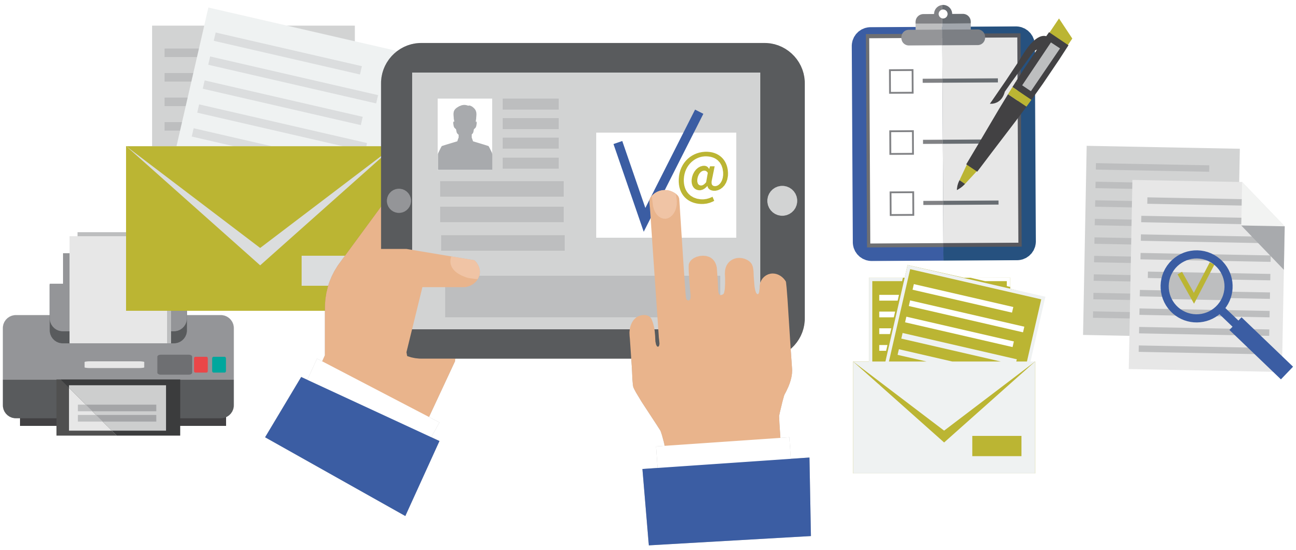
While most executives believe the company is clear on the definition of digital transformation, an obstacle to success is the lack of alignment on what exactly digital transformation means. This pressure to transform comes at a time when IT budgets have remained relatively static, but IT is simultaneously being asked to deliver more projects to the business than ever before. Many insurance companies are suffering the negative effect of a disconnection between the IT role and the business strategy, which, in return, increases data fragmentation, security and compliance risks and decreases transparency and clarity across the whole organization.

"Many insurance companies are suffering the negative effect of a disconnection between the IT role and the business strategy, which, in return, increases data fragmentation, security and compliance risks and decreases transparency and clarity across the whole organization."

3 Still Content Chaos

Videos, email, documents, billing, claims, risk assessments...the growth of unstructured data in the insurance industry, including brokers and agents, is unstoppable and unavoidable. All data come from several sources, different in volume, size, formats and type. On top of that, content is duplicated across shared drive, network folders, CRM, ERP and other business applications. This is what we call content chaos. The proliferation of customer touch-points, applications and digital interactions makes it more challenging than ever to deliver the right information to the right people, whenever and wherever they need it. For insurers information is vital: from regular enquiries about insurance policies through the insurer's contact center, website or agent to requests for a change of beneficiary and claims management, the ability of insurers to support these interactions depends on how well they manage, locate, and deliver various types of digital information.

The proliferation of customer touch-points, applications and digital interactions makes it more challenging than ever to deliver the right information to the right people, whenever and wherever they need it.



4 Lack of integrations

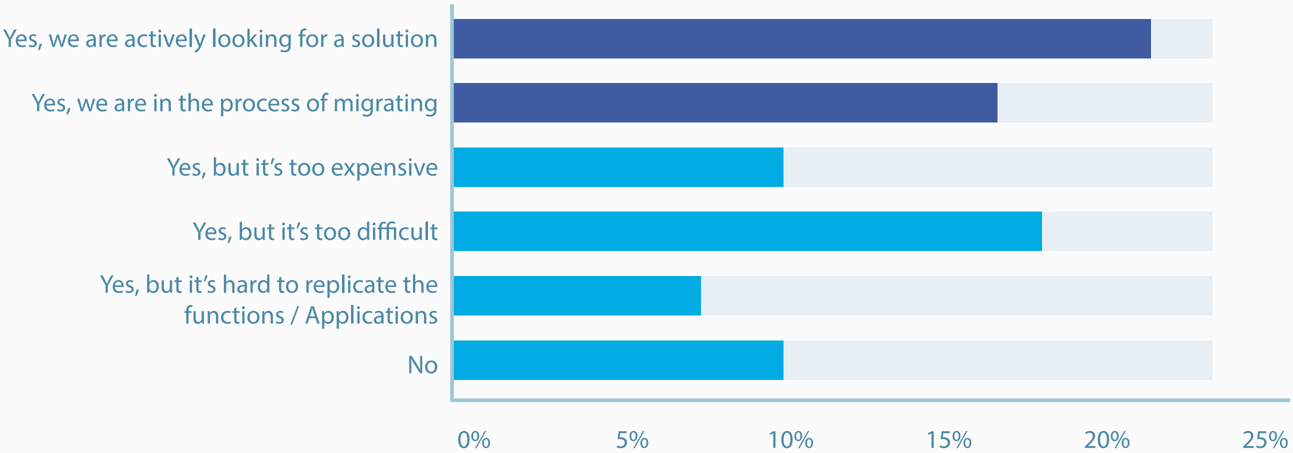
The fourth major obstacle to digital transformation is integration. And organizations have a lot to integrate. Driven by trends such as cloud, the number of applications used by companies today is huge. On average large organizations are using more than 1000 individual application across their business, therefore agility in application integration is essential to growing in a changing market.

On average large organizations are using more than 1000 individual application across their business, therefore agility in application integration is essential to growing in a changing market.

5 Regulatory risks

Compliance is important as well as customer service, so it cannot be ignore during a modernization/migration process. Before legacy systems are replaced, all regulatory controls must be present in the systems. All these barriers represents serious risks, they can be all managed during the migration projects with the properly understanding and preparation. General speaking, the transformation requires new digital talents, new metrics and measure, new ways to work that value speed and impact. It also requires new business model, with a focus on generating better customers outcomes.

Is your Company Evaluating a Replacement Solution?



16% Have Migration Projects Underway

21% Actively Seeking Replacements

41% Feel Stuck with their Legacy Systems due to the cost and the difficulty of changing – particularly replicating built-on applications

Many organization today postpone replacement of their ECM until their legacy systems do not meet modern demands as is and it would be too costly and complex to customize. In the whitepaper "The cost of standing still", AIIM, in partnership with Alfresco, poses six questions that will help companies diagnose where their legacy ECM are failing the organization and where a modern content platform can help them deliver the faster time to value their business demands.(2)

2 *The cost of standing still.*

PART 3

Why Intelligent Information Management at the Core of your Modernization

3.0 Why Intelligent Information Management at The Core of Your Modernization

The risk of digital inaction now exceeds the risk of action. And while overcoming legacy challenges may look daunting, insurers can "go digital" in many low cost, lightweight ways using modern digital business platforms.

3.1 Intelligent Information Management in a Nutshell

Central to the AIIM definition is the concept that information management is intended to support an organization's processes. Indeed, it is so much more than just storing and archiving documents. Intelligent information management (IIM) systems are used for:

- Document Management
- Records Management
- Workflows / Business Process Management (included Claims and Underwriting)
- Collaboration
- Searching for Information and Documents
- Digitization of Materials with Recognition Systems
- Email Management and Archiving

By deploying an intelligent information management system, organizations can benefit from the quality, integrity and accuracy of their most critical information. At the same time, the system supports knowledge workers by making information easier to find and utilize. Information management can also be used as a means of controlling risk and ensuring compliance, enabling consistent workflows and operating procedures, and harmonizing processes. Finally, an organization can achieve substantial cost savings by managing their information with an ECM platform. [3]

3.2 What are the criteria to select the right IIM?

1 Metadata Imperative

In simplest terms, metadata is data about data — information attached to a file or document, the purpose of which is to define, describe and classify that file or document. By extracting and automating your metadata, information can be retrieved and consolidated, preserved and retained, and you can provide the documents with the access rights, so that only people with the rights can access that particular document.

Tip: select the IIM that supports metadata extraction, automation and management

3 *M-files whitepaper : How IIM can make your business more competitive*

2 Findability and versioning

In 2012, McKinsey reported that "employees spend 1.8 hours every day — 9.3 hours per week, on average — searching and gathering information. Put another way, businesses hire 5 employees but only 4 shows up to work; the fifth is off searching for answers, but not contributing any value."

Tip : improve productivity by selecting the IIM that supports advanced and federated search capabilities and full versioning control

Enabling employees to quickly find the information they need when they need it is one of the most compelling reasons businesses implement information management systems. Today's technology allows to search and run query in a single silo, but search for a specific information across multiple platforms (federated search).

Another typical problem within organizations is that several versions of the same document exist, saved in different locations, and may be in use at the same time.

> "Enabling employees to quickly find the information they need when they need it is one of the most compelling reasons businesses implement information management systems."

3 User friendly solution

According to AIIM, nearly 50 percent of all ECM programs fail and of the 50 percent that succeed, half of those fail to really provide value to the business. 26% have user adoption issues.

Tip : Accelerate user adoption by selecting the IIM with a familiar, easy to use user interface

In implementing Content Services technology, we fundamentally change the way an individual or group does their job. This is why user adoption is broadly affected by issues of accessibility and experience. Software adoption is matter of habits and, as humans, we don't like to change our habits.

4 API Integrations for Business Agility and Scalability

On of the main issues with the legacy systems, is their inability of adapting as the business evolves. The modern platforms need to be flexible and easily integrated with other systems and business application. On average large organizations are using more than 1000 individual application across their business, therefore agility in application integration is essential to growing in a changing market.

Tip : Ensure scalability throughout the business by integrating and connecting the IIM in your processes

On average large organizations are using more than 1000 individual application across their business, therefore agility in application integration is essential to growing in a changing market.

5 Easy Deployment

On premise, cloud or hybrid solution? Cloud services are becoming popular as the way to make things available immediately, to automate updates and in general to reduce total costs of ownership.

Hybrid solutions enable companies to combine the reliability of on premise with the flexibility of the cloud.

Tip : Select the IIM that fits your IT and Business strategy and evolves with them

6 Security and compliance

Can you capture all required elements for dispositioning data and files in compliance with legal requirements of document management policies? Can your current system help you comply with your standards and low? Did you know the most data breaches reported are related to unstructured data? Documents, spreadsheets, mails and even paper files!

Role and metadata based access permission management help companies reduce the risk that information is accessed by everyone within and outside the organization, without any control.

Tip : Select the IIM that helps you comply with your legal requirements

Did you know the most data breaches reported are related to unstructured data?

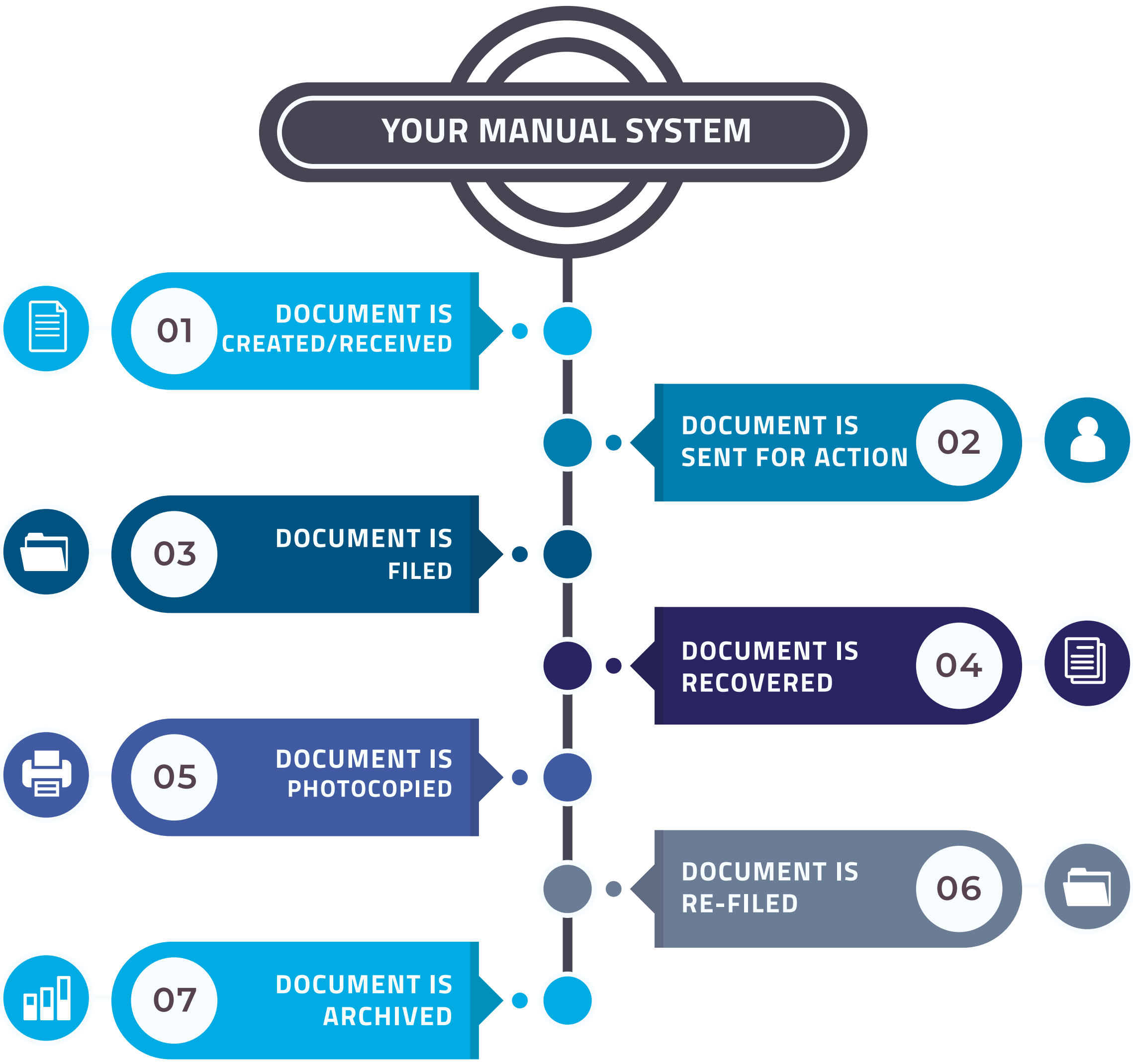
PART 4

The journey to transform your business with Alfresco Digital Platform

4.0 The journey to transform your business with Alfresco Digital Platform

Whatever your information is captured from internet, from your paper files, emals, electronic documents, like word, pdf, or video, or from existing CRM or systems, that information is handled in multiple places, with multiple versions and without any control.But what if we can centralize all those information in one central place so that everyone in the business can recover any information instantly? The best way to look to your future process is starting to analyze your present manual system.

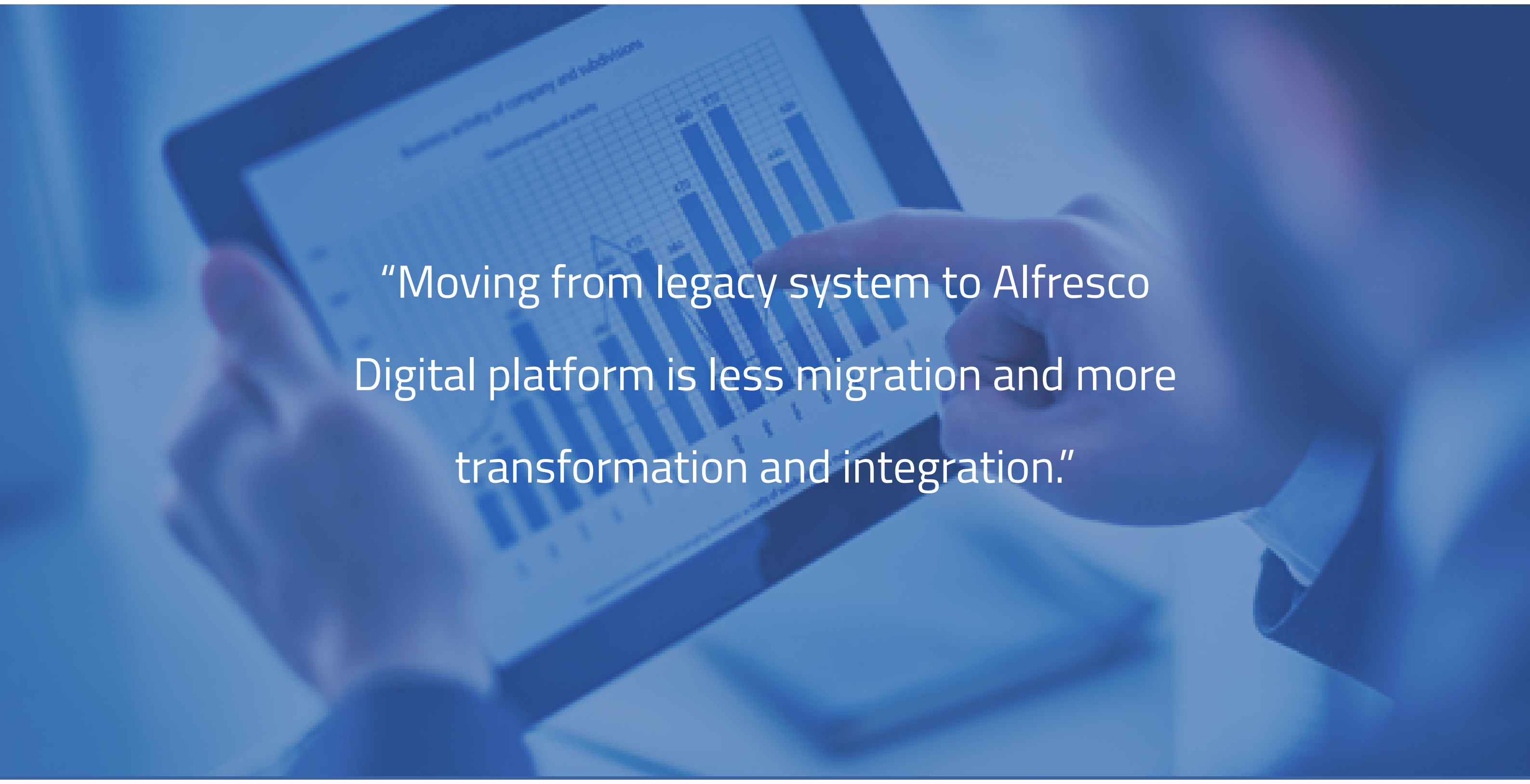
A document is created or received, sent for action, filed, recovered, printed, photocopied, re filed, many times, usually between the first 10 to 90 days, until it's not archived, needed to be kept for the next 5 to 10 years.



Outdated systems require intensive manual processes and steps, high maintenance costs, operation inefficiencies and low productivity. Redundant platforms and legacy IT systems are not able to integrate information and to adapt to modern ways of working. They don't comply with new regulations and usually they don't offer the level of user experiences that both, internal and external customers, now expect.

By following the new approach, the first step towards the modernization of your business, is to transform your information and make it digital. Either you can scan or capture your information, either you can build a digital native process.

Once captured your documents, properties and metadata are then extracted and documents are filed classified and indexed as per business needs (eg; Payroll, Accounting, Claims etc). Information now can be accessed and shared, secured, stored and eventually archived.



"Moving from legacy system to Alfresco Digital platform is less migration and more transformation and integration."

The proposal digital process allows insurers automate and streamline their document-heavy processes. (4)

4 *Reimagining the Insurance Customer's Journey* (*https://www.alfresco.com/ebook/ebook-reimagining-insurance-customers-journey-us*)

ethias

70 million documents managed in Alfresco, with 10 to 20 million documents being added annually.

Total cost of operation of the solution was reduced by 50%.

Since 2008, the Ethias team has used Documentum for their document and email archiving needs, hosted by service partner NRB. However, they faced high recurring costs for low added value as Documentum main function was to serve as a storage system leveraging only basic content management capabilities. The migration from Documentum to the Alfresco Digital Platform was simplified with Xenit content streaming tool and NRB export routines, which transferred over 57 million documents to Alfresco in under 3 months.

READ MORE

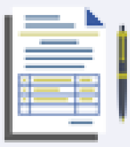
Through Alfresco Digital Platform, insurers can connect to existing information, consolidate and facilitate the migration from the legacy systems. They can digitize document-driven processes across the insurance customer journey — from application submittal, through underwriting and claims, to ongoing correspondence with policy holders.

Application Processing

Shorten the time from application to quote by capturing the right information and delivering it, ready for underwriting to process, faster than ever before.

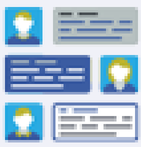
Underwriting

Improve underwriting excellence and efficiency with more straight-through processing and the ability to underwrite risk quickly, accurately and collaboratively.



Claims Processing

Bad claims experiences are a leading contributor to customer churn. Increase policyholder satisfaction — and loyalty — with faster, smoother claims resolution.



Customer Communications

Reduce the risks and costs associated with customer correspondence with a communications program that's efficient, compliant and auditable

P&V
ASSURANCES

Increased time to market

Reduced TCO

Online availability

The transformation process in P&V Group is translated into a decoupled and simplified architecture, by integrating their online operations (Guidewire) into several Alfresco instances, through the Xenit's API Gateway, Alfred Edge, a single point of entry for an agile solution.

READ MORE

Conclusion

Insurance companies, as well as banks and other financial service providers, are more and more becoming IT driven companies. Digitalization offers opportunities to increase efficiency, offer new services, build better customer relations and combat fraud. It also presents companies with new challenges and investment requirements.

The migration from legacy system to digital platforms and the selection of the right content management system are part of this journey and they must be based on the needs of your specific business.

Digital is changing people and organizations, not only in terms of technological opportunities, but also how people think about technology and its role in their lives. It's no longer people who adapt to technology – rather, technology adapts to us (5). The transformation of the customer journey is not just about bringing one insurance mobile application or one service to customers. It requires a solid strategy with clear targets and a change in organizational culture and attitude that permeates the whole customer experience across organizational and system boundaries.

The Alfresco Digital Business Platform complements and extends core insurance systems to enhance digital capabilities across the policy lifecycle. You can modernize inefficient processes, improve the insurance customer experience and fast-track digital initiatives — all with minimal risk and disruption.

5 Accenture, Technology Vision 2017, Technology for People.

PART 5

About

About Alfresco Digital Platform

The Alfresco Digital Business Platform lets IT quickly develop modern, document management solutions that accelerate the flow of business. Alfresco provides enterprise content management solutions across cloud, mobile, hybrid, and on-premise environments for clients to share, manage, and retain documents, files, and processes.

Alfresco has been recognized, by Gartner, as a Challenger for a third consecutive year. 'Their digital Business Platform delivers great customer experiences at scale and helps companies achieve their digital transformation efforts. Whether it's customizing an integration, or scaling up on AWS (Amazon Web Services) , Alfresco users have the flexibility to tackle any digital transformation challenge."

Alfresco works with insurance companies to support digital transformation of their customer journey with its modern, secure, and integrated enterprise open source platform encompassing content management, intelligent process automation, collaboration, and records management capabilities.

Alfresco's insurance solution provides the following key services targeted at this industry:

Content services

Enterprise content management (ECM) capabilities allow end users to find, collaborate, and securely share documents, files, and information across on-premises and cloud repositories. Alfresco's open, modern architecture offers to maximize flexibility and allows colleagues and business partners to collaborate beyond the enterprise boundaries to help maximize the value of the company's content

Process services

Enterprise business process management (BPM) capabilities, including visual process editing, decision tables, and process heat mapping, are aimed to help business users and IT modernize and optimize critical business operations. Alfresco' open process services combine a high-performance BPMN 2.0 process engine with business-friendly tools and analytics.

What make Alfresco unique?

Fast Time to Value

Build ▪ Deploy ▪ Adopt

One Platform for Digital Business

Process ▪ Content ▪ Governance

Modern Architecture

Open ▪ Developer-Friendly ▪ Cloud-native

Alfresco can help companies to turn:

- **FROM** Disjointed Applications **TO** Enterprise Processes
- **FROM** Unstructured Content & Paper **TO** Actionable Information
- **FROM** One Size Fits ALL UX **TO** Fit for Purpose Experiences
- **FROM** Monolithic Legacy **TO** Agile & Scalable
- **FROM** Months and Years **TO** Days and Weeks

About Xenit

Xenit is an experienced technology and solutions provider for SMEs, Enterprises and Institutions that have ECMs (Enterprise Content Management) at the heart of their operations. We are a trusted and certified Partner of Alfresco and can advise your IT department throughout the full project life cycle of migration — from conceptual analysis, through implementation, deployment and support.

With our extensive experience in implementing more than 60+ client projects, you can rely on smooth and efficient project execution. We are a pioneer in the area of Enterprise Document Management and open source Digital Business Platform.

Xenit has been recognized, by Deloitte, as one of the fastest growing technological companies in Belgium, for two consecutive years, and Best Customer Service Partner by Alfresco.

Top 3 benefits of starting the project with us

As trusted and certified Alfresco partner, our mission is to empower Alfresco users, by providing them with the right platform to power their Alfresco.

1 Quick Deployment

Taking control of your content is not a long process anymore. We configure, install and manage your Alfresco, for a quick start of your process modernization.

Ethias Insurance Case
We transferred over 57 million documents to Alfresco in under 3 months, with peaks of 5 million documents in a weekend, and a rate of 50 documents per second in batches of 100,000 documents.

2 TCO reduction and Business Agility

Xenit has helped insurers of all sizes re-architect their organizations to be more agile and innovative. By working with Xenit, you will have access to capabilities to enable a scalable infrastructure, reduce total cost of IT ownership, implement automated security and compliance protocols, and improve the entire insurance life-cycle – including underwriting, policy, billing and claims.

Ethias Insurance Case
Total cost of operations was reduced by 50% – by reducing maintenance, infrastructure and setup overall costs.

3 Quality of Service

We optimize large and frequent document migration in a controlled and secure way and we deliver high-performance query results, improving Alfresco stability and increasing productivity.

Sources

Reducing the Insurance Paper Mountain with Paperless Document Management

The cost of standing still

M-files whitepaper : How IIM can make your business more competitive

Reimagining the Insurance Customer's Journey

Accenture, Technology Vision 2017, Technology for People.