



Insurance

# Cognizant legacy modernization accelerator powered by Coherent Spark

Powered by Cognizant-Coherent Partnership

## Legacy Challenges in Insurance Industry

Digital transformation requirements create friction in security, data migration, business continuity, resourcing, cost, and operations for companies relying on legacy systems. Business and IT teams need control and visibility into critical business logic that is locked in legacy systems. Control of spreadsheets is no longer optional access to this data is critical for modernization projects; companies undertaking modernization projects must also consider legacy system factors such as

- Custom, complex core administration systems that lock product logics, parameters, pricing tables, and underwriting rules
- Limited digital channels support
- Long product launch cycles with custom development and configurations in legacy core systems and related distributions platforms

Legacy system are the main barrier to digital transformation

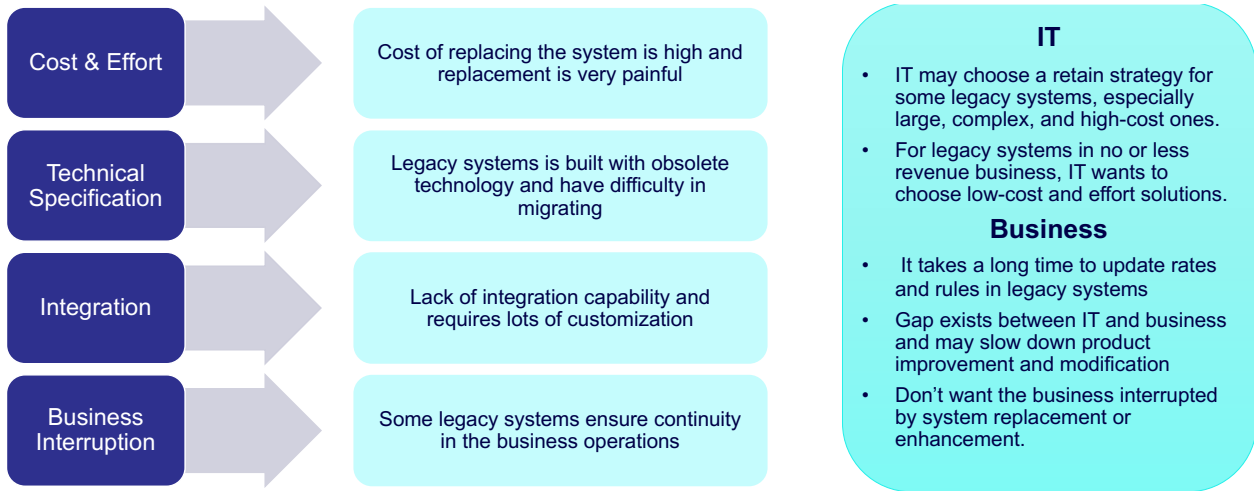
**38%** Too much reliance on legacy systems

**35%** Technological infrastructure is too complex

**34%** Difficulties managing and extracting intelligence from data

**34%** Lack of IT expertise within the organization

Digital transformation is moving higher up the agenda



### No single universal truth for legacy modernization

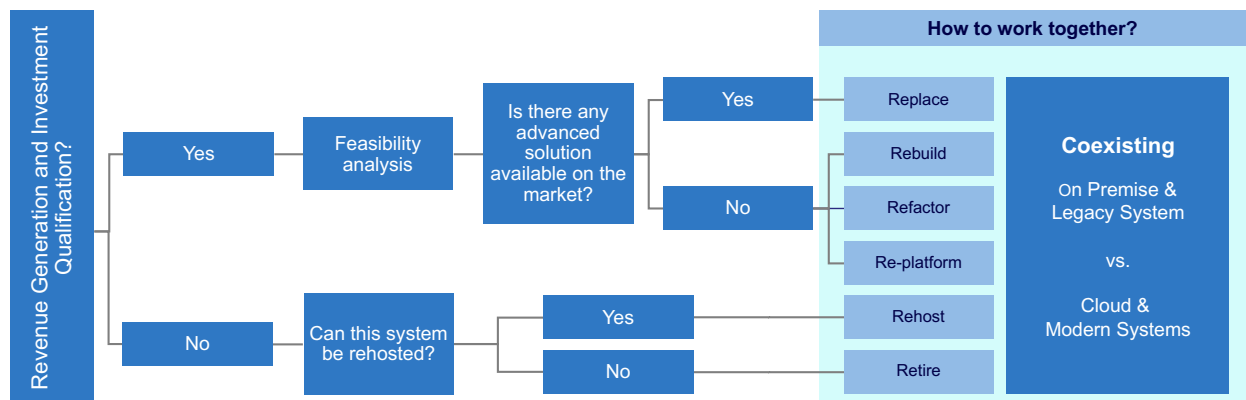
There is no single universal truth for legacy systems modernization. However, only 50% of insurance modernizations involved a new PAS solution. Companies need a solution that reduces friction, cost effective, and business driven.

Core systems strategy for policy administration systems



#### Principles: Innovative, cost-effective, and business-driven

- Impacts on customer experience
- Total cost of ownership
- Security
- Business interruption
- Risk of migration
- Time/effort
- IT talent hiring and development



There are different options, but an innovative and cost-effective option is generally missed, Cognizant legacy modernization accelerator that involves refactoring using SPARK.



## Business Opportunity & Solution by Coherent SPARK

Coherent Spark is a cloud-based logic engine that converts complex business logic from Excel models into API services—in less than 10 seconds. Use Coherent Spark to accelerate digital transformation, reduce cost, and drastically improve project delivery times. It's a game-changer for any business that runs on Excel-based logic.

Coherent Spark can be your centralized repository for all business rules, product configuration and calculation logics. The Life Legacy Calculation Engine Modernization Accelerator solution will include-

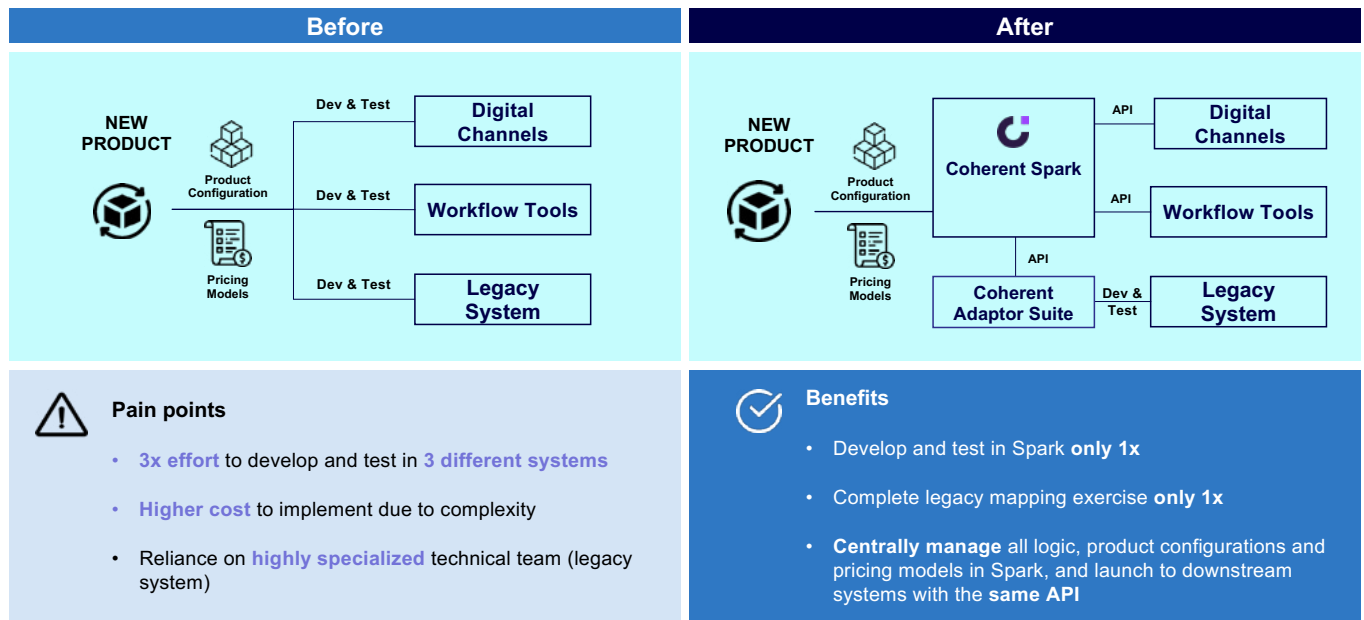
Adapter suit with components that can communicate with the legacy systems.

A calculation engine (Spark offered by Coherent) that converts complex business logic from Excel models into API services in seconds.

Modernization projects have an average 3-4 month delivery period. To get started with Coherent Spark, follow these steps:

- Discovery
- Product review analysis, fit, and estimation
- Roadmap and estimation
- Create legacy modification design
- Calculation/Product Definition Externalization
- Modernization project kick-off.

### Before and after implementing the Coherent Adaptor Suite



## Solution Features

### For Business Teams

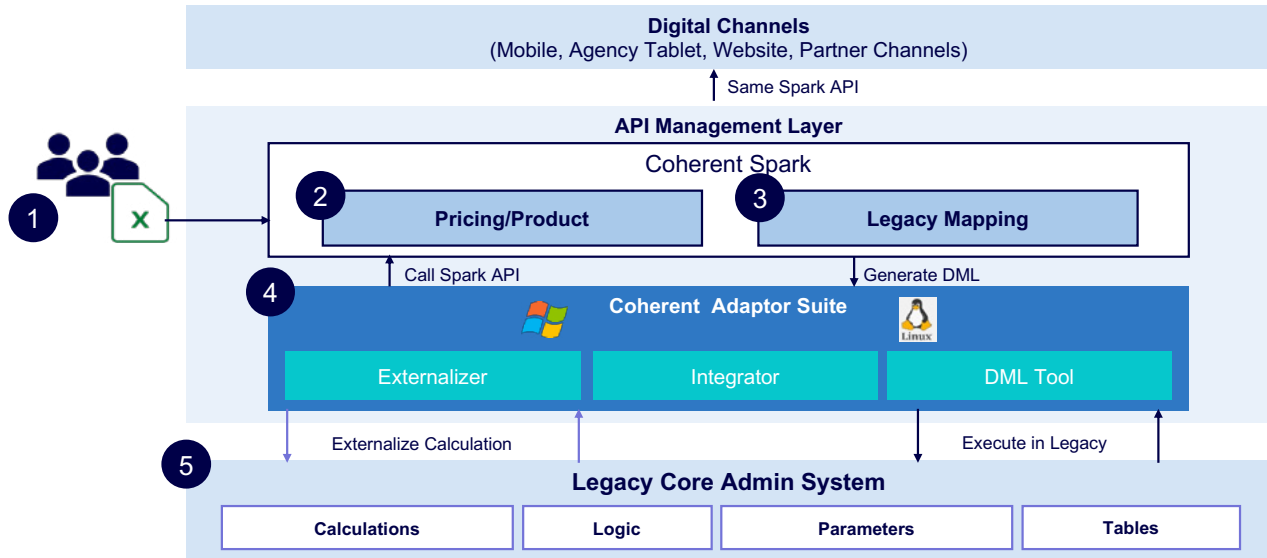
- Turn business logic into code without developer resources
- Reduce cost and time to modernization project completion. This solution results in 30% reduction in product development time and a 20% increase in resource efficiency when developing new products

### For IT Teams

- Coherent Spark's ability to provide enterprise-grade code that integrates with all cloud and modern systems via REST APIs
- Enables centralization of rating/rules across channels in addition to externalization
- Legacy mapping exercise to be done once
- Flexibility to drive incremental changes
- Leveraging Coherent Spark results in 41% lower IT costs per policy than on legacy system

IT modernization in insurance: Three paths to transformation

**Coherent Adaptor Suite** components can communicate with your legacy systems



### Differentiators

Coherent Spark reduces development time by 80% by eliminating the need to create a new hub for product configurations and calculation engines. With Coherent Spark, business teams see

- Reduced risk and effort with no data migrations necessary
- Lower cost, no need to replace or rebuild legacy systems
- Expedited time to market, with delivery process taking 3-4 months

### Coherent SPARK

A portable and easy to manage digital solution for legacy system modernization with lower cost, bigger business impacts, and more flexibility

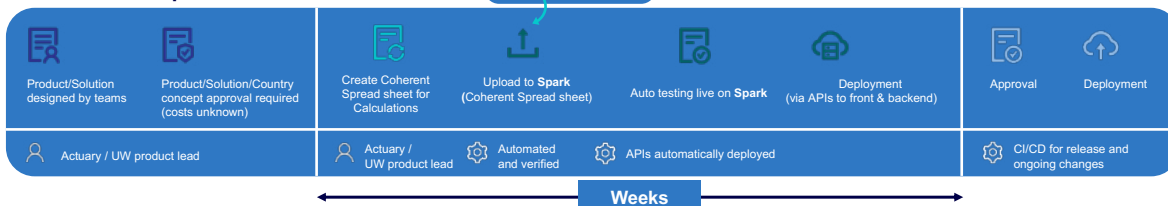
- **Accelerate your calculations & logic** Spark enabled the client to use Excel directly as the product model, and simply upload it to the platform extracting all business and procedural rules. Ultimately converting them all into API fully enabling digital purchase journeys across the entire portfolio
- **Speed to Market** Proven 30% Reduction in product development time at 20% better resource efficiency for a major Insurer
- **Business Improvement** Avoid spiraling risk & cost overheads with Coherent Spark

Drive speed to market by eliminating significant of development time

#### Typical Development Process



#### With Coherent Spark



## Why Cognizant?

Cognizant provides product platform based services leveraging well established partnership and centers of excellence. It has Industry leading clients with 24+ Years of experience across core Life, Annuity & Retirements with huge talent pool of 22,800+ Associates in Life and Annuity with Mature capabilities across all L&A lines of business with COTS experience & Industry Solutions which can be leveraged to provide solutions to Customer pain points with Joint GTM strategy.



**Together we can deliver:**



A **portable and easy-to-manage digital solution** for legacy system modernization with lower cost, bigger business impacts, and more flexibility



An innovative logic tool to convert Excel logic to API calls with versioning, **governance & control capabilities**



A **fast logic management process** that eliminates 80% of development time on core systems after the first product in the product family is launched.



Cognizant (Nasdaq-100: CTSH) engineers modern businesses. We help our clients modernize technology, reimagine processes and transform experiences so they can stay ahead in our fast-changing world. Together, we're improving everyday life. See how at [www.cognizant.com](http://www.cognizant.com) or follow us [@Cognizant](https://twitter.com/Cognizant).

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